



**REGULAR CITY COUNCIL MEETING
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS
NOVEMBER 25, 2014
7:00 PM**

INTRODUCTORY PROCEEDINGS

Call to order

Open forum (15 minutes maximum)

Each speaker is to keep their comment period to three minutes to allow sufficient time for others. Comments are to be an opportunity to address the Council on items not on the agenda. Individuals who wish to address the Council must have registered prior to the meeting.

Pledge of Allegiance

Approval of the minutes of the (1) Special City Council Worksession of November 10, 2014; (2) Special Concurrent City Council and Planning Commission Worksession of November 10, 2014; and (3) Regular City Council Meeting of November 10, 2014.

PRESENTATIONS

1. Annual meeting with the Community Services Commission
2. Annual meeting with the Transportation Commission

COUNCIL DISCUSSION

3. Hats off to hometown hits

AGENDA APPROVAL

4. Approval of the agenda.
5. **Consent Calendar contains several separate items, which are acted upon by the City Council in one motion. Once the Consent Calendar has been approved, the individual items and recommended actions have also been approved. No further Council action on these items is necessary. However, any Council Member may request that an item be removed from the Consent Calendar and placed on the regular agenda for Council discussion and action. All items listed on the Consent Calendar are recommended for approval.**
 - A. Consideration of the approval of resolutions amending the 2014-2015 labor agreements with Police Officers & Detectives (LELS Local 123), and Police Supervisors (LELS Local 162).

Staff Report No. 211
 - B. Consideration of the approval of a resolution authorizing an accounting change from an Enterprise (Proprietary) Fund to three Special Revenue Funds for the Recreation Enterprise Fund.

Staff Report No. 212
 - C. Consideration of the approval of a contract with Graymont (WI), LLC Company for the purchase of 1,400 tons of quick lime in the amount of \$225,330.00 for water treatment in 2015.

Staff Report No. 213
 - D. Consideration of the approval of a resolution authorizing the 77th St Underpass Project application submission for Federal Surface Transportation funds under the Regional Solicitation process.

Staff Report No. 214

- E. Consideration of the approval of a resolution authorizing the Source Water Protection Plan Implementation Grant agreement between the City of Richfield and the Minnesota Department of Health.

Staff Report No. 215

- 6. Consideration of items, if any, removed from Consent Calendar

PUBLIC HEARINGS

- 7. Conduct and continue public hearing regarding the sale of remnant parcels located at 6245 and 6301 Bloomington Avenue South.

Staff Report No. 216

CITY MANAGER'S REPORT

- 8. City Manager's Report

CLAIMS AND PAYROLLS

- 9. Claims and payrolls

Open forum (15 minutes maximum)

Each speaker is to keep their comment period to three minutes to allow sufficient time for others. Comments are to be an opportunity to address the Council on items not on the agenda. Individuals who wish to address the Council must have registered prior to the meeting.

- 10. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.



CITY COUNCIL MINUTES

Richfield, Minnesota

Special City Council Worksession

November 10, 2014

CALL TO ORDER

The meeting was called to order by Mayor Goettel at 6:00 p.m. in the Bartholomew Room.

Council Members Present: Debbie Goettel, Mayor; Sue Sandahl; and Tom Fitzhenry.

Council Members Absent: Pat Elliott and Edwina Garcia.

Staff Present: Steven L. Devich, City Manager; Mike Eastling, Public Works Director; John Stark, Community Development Director; Jay Henthorne, Public Safety Director/Police Chief; and Cheryl Krumholz, Executive Coordinator.

Item # 1	DISCUSSION REGARDING THE RENAMING OF 77TH STREET
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Mayor Goettel stated she supported the renaming because it was appropriate timing with the 77th Street underpass project. She stated that Council Members Elliott and Garcia and Tim Carter as a business representative supported the renaming.

The City Council suggested:

- Skyway Boulevard/Parkway
- Martin Sabo Boulevard
- Wold-Chamberlain Boulevard/Parkway

Council Member Sandahl stated there is a policy not to name a street after someone still living but Mr. Sabo, who had a significant impact in obtaining the 77th Street project funding, is retired from public service and the City Council could make an exception.

The City Council directed staff to gain citizen input on the suggested names through Richfield Connect and have discussions with impacted businesses, the Chamber of Commerce and the City of Edina.

ADJOURNMENT

The meeting was adjourned by unanimous consent at 6:15 p.m.

Date Approved: November 25, 2014

Debbie Goettel
Mayor

Cheryl Krumholz
Executive Coordinator

Steven L. Devich
City Manager



CITY COUNCIL MINUTES

Richfield, Minnesota

Special Concurrent City Council and Planning Commission Worksession

November 10, 2014

CALL TO ORDER

The concurrent worksession was called to order by Mayor Goettel at 6:15 p.m. in the Bartholomew Room.

Council Members Present: Debbie Goettel, Mayor; Sue Sandahl; and Tom Fitzhenry.

Council Members Absent: Pat Elliott and Edwina Garcia.

Planning Commission Present: Rick Jabs, Chair; Tom Rublein; Alison Groebner; and Daniel Kitzenberger.

Planning Commission Members Absent: Charles Standfuss; Susan Rosenberg; and Gordon Vizecky.

Staff Present: Steven L. Devich, City Manager; John Stark, Community Development Director; Jay Henthorne, Public Safety Director/ Police Chief; Melissa Poehlman, City Planner; Mary Tietjen, City Attorney; and Cheryl Krumholz, Executive Coordinator.

Item #1

DISCUSSION REGARDING MEDICAL MARIJUANA DISPENSARIES (COUNCIL MEMO NO. 109)

City Attorney Tietjen provided an overview of the current legislation. She stated cities could prohibit the sales but it could be challenged because it would be in direct conflict with State law and convincing rationale would be required.

Community Development Director Stark reviewed the restrictions and regulations that could be imposed with a conditional use permit.

Public Safety Director/Police Chief Henthorne discussed public safety concerns.

The concurrent worksession was adjourned by unanimous consent at 6:50 p.m.

Date Approved: November 25, 2014.

Debbie Goettel
Mayor

Cheryl Krumholz
Executive Coordinator

Steven L. Devich
City Manager



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Regular Meeting

November 10, 2014

CALL TO ORDER

The meeting was called to order by Mayor Goettel at 7:00 p.m. in the Council Chambers.

Council Members Present: Debbie Goettel, Mayor; Sue Sandahl; and Tom Fitzhenry.

Council Members Absent: Pat Elliott and Edwina Garcia.

Staff Present: Steven L. Devich, City Manager; Mike Eastling, Public Works Director; John Stark, Community Development Director; Jay Henthorne, Public Safety Director/Police Chief; Jeff Pearson, Transportation Engineer; Mary Tietjen, City Attorney; and Cheryl Krumholz, Executive Coordinator.

OPEN FORUM

Mary Barnes, 7544 Bryant Avenue, spoke about the City's delay in repairing the end of her driveway.

Alicia Leizinger, 7200-14th Avenue, spoke about prohibiting e-cigarette use in public places.

PLEDGE OF ALLEGIANCE

Mayor Goettel led the audience in the Pledge of Allegiance.

APPROVAL OF MINUTES

M/Sandahl, S/Fitzhenry to approve the minutes of the (1) Special City Council and HRA Worksession of October 20, 2014; (2) Special City Council Worksession of October 28, 2014; and (3) Regular City Council Meeting of October 28, 2014.

Motion carried 3-0.

Item #1

PRESENTATION OF THE PUBLIC HEALTH COMMUNITY ASSESSMENT AND PRIORITIZATION OF COMMUNITY HEALTH NEEDS IN RICHFIELD (COUNCIL MEMO NO. 111)

Kirsten Johnson, Advisory Board of Health Co-chair, made the presentation.

M/Goettel, S/Sandahl to accept the Richfield Public Health Top Eleven Health Issues work of the Richfield Advisory Board of Health in the prioritization and assessment process that covers the 2015-2019 Community Health Services Plan.

Motion carried 3-0.

Item #2	ANNUAL MEETING WITH THE PLANNING COMMISSION
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Rick Jabs, Chair, provided an update.

Item #3	OATH OF OFFICE TO RECENTLY APPOINTED RICHFIELD PUBLIC SAFETY DIRECTOR JAY HENTHORNE
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Mayor Goettel administered the Oath of Office to Public Safety Director Henthorne.

Item #4	COUNCIL DISCUSSION <ul style="list-style-type: none">• Cancel or reschedule December 23, 2014 Regular City Council Meeting• Hats Off to Hometown Hits
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M/Goettel, S/Sandahl to cancel the December 23, 2014 Regular City Council Meeting.

Motion carried 3-0.

Council Member Sandahl acknowledged the successful September 20 Bike to the Farmers Market in Richfield, an I-494 Corridor Commission promotion for alternate forms of transportation.

Council Member Fitzhenry announced the November 19 MAC Noise Oversight Committee meeting.

Council Member Fitzhenry requested the City Council consider reviewing and revising the food to liquor ratio requirement for intoxicating liquor licenses.

Item #5	COUNCIL APPROVAL OF AGENDA
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M/Sandahl, S/Goettel to approve the agenda.

Motion carried 3-0.

Item #6	CONSENT CALENDAR
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- A. Consideration of the approval of the first reading of an ordinance increasing the number of on-sale wine licenses in the City from 12 to 17 S.R. No. 195
- B. Consideration of the approval of the first reading of an ordinance increasing the number of on-sale 3.2 percent malt liquor licenses in the City from 15 to 20 S.R. No. 196
- C. Consideration of the approval of the setting of a public hearing to be held on December 9, 2014 for the consideration of the renewal of on-sale wine and on-sale 3.2 percent malt liquor licenses for 2015 for Last Call Operating Co. II, Inc. d/b/a/ Champps Americana (Richfield Ice Arena location), Chipotle Mexican Grill of Colorado, LLC d/b/a Chipotle

- Mexican Grill, Thompson's Fireside Pizza, Inc. d/b/a Fireside Pizza, Joy's Pattaya Thai Restaurant, Lariat Lanes, The Noodle Shop Co. Colorado, Inc. d/b/a Noodles and Company (two locations), Patrick's Bakery & Café, Henry Thou d/b/a Red Pepper Chinese Restaurant S.R. No. 197
- D. Consideration of the approval of setting a public hearing to be held on December 9, 2014 for the consideration of the renewal of on-sale intoxicating and Sunday liquor licenses for 2015 for Last Call Operating Co. II, Inc. d/b/a Champps Americana, Don Pablo's Operating Corporation d/b/a Don Pablo's, Tejaban Mexica Grill, LLC d/b/a El Tejaban Mexican Restaurant, Financial Guidance, Inc. d/b/a Four Points by Sheraton, Frenchman's Pub, Inc. d/b/a Frenchman's, Wiltshire Restaurants, LLC d/b/a Houlihan's Restaurant & Bar, Khan's Mongolian Barbeque, Lyn 65, LLC d/b/a Lyn 65, Pizza Luce VII, Inc. d/b/a Pizza Luce, Minneapolis-Richfield American Legion Post 435 and Fred Babcock VFW Post 5555 d/b/a Four Nickels Food & Drink S.R. No. 198
- E. Consideration of the approval of setting a public hearing to be held on December 9, 2014 for the consideration of the renewal of pawnbroker and secondhand goods dealer licenses for 2015 for University Cash Company, LLC d/b/a Avi's Pawn and Jewelry and Metro Pawn and Gun, Inc. S.R. No. 199
- F. Consideration of the approval of a resolution for a grant from the Office of Justice Programs for bulletproof vest in the amount of \$4,586.10 S.R. No. 200

RESOLUTION NO. 10998

RESOLUTION AUTHORIZING RESOLUTION APPROVING THE GRANT WITH THE U.S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS AND RICHFIELD POLICE FOR BULLETPROOF VESTS

This resolution appears as Resolution No. 10998.

- G. Consideration of the approval of a resolution for approval of a mutual aid pact with Hennepin County for the use of law enforcement personnel and equipment S.R. No. 201

RESOLUTION NO. 10999

RESOLUTION AUTHORIZING RESOLUTION APPROVING JOINT AND COOPERATIVE AGREEMENT FOR USE OF LAW ENFORCEMENT PERSONNEL AND EQUIPMENT

This resolution appears as Resolution No. 10999.

- H. Consideration of the approval of the continuing agreement for 2015 with Hennepin County and City of Richfield/Public Safety Department/Police for Police Cadet funds and Joint Community Police Partnership (JCPP) Program training funds S.R. No. 202
- I. Consideration of the approval and acceptance of the Master Grant Contract (MGC) from the State of MN, Department of Health for the 2015-2019 grant cycle that is designed to administratively simplify the review of grant agreements of local public health agencies S.R. No. 203
- J. Consideration of the approval of authorizing the purchase of pedestrian-scale street lights for the Penn Avenue Corridor between T.H. 62 and 67th Street, utilizing Community Development Block Grants, in an amount not to exceed \$61,000 S.R. No. 204
- K. Consideration of the approval of the first reading of an amendment to the City Zoning Ordinance adding "municipal parking lots" to the list of permitted uses in the Penn Avenue Corridor Overlay District S.R. No. 205

- L. Consideration of the approval of a resolution determining the results of the City General election on Tuesday, November 4, 2014 S.R. No. 206

RESOLUTION NO. 11000

RESOLUTION DETERMINING RESULTS OF THE GENERAL ELECTION OF
THE CITY OF RICHFIELD HELD ON TUESDAY, NOVEMBER 4, 2014

This resolution appears as Resolution No. 11000.

M/Fitzhenry, S/Sandahl to approve the Consent Calendar.

Motion carried 3-0.

Item #7	CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM THE CONSENT CALENDAR
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None.

Item #8	PUBLIC HEARING AND CONSIDERATION OF A RESOLUTION GRANTING A CONDITIONAL USE PERMIT AND VARIANCE TO ALLOW EXPANSION OF AN EXISTING SOBER-HOUSING FACILITY (PROGRESS VALLEY) AT 308-78TH STREET EAST S.R. NO. 207
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Council Member Fitzhenry presented Staff Report No. 207.

Susanne Lambert, Progress Valley, Inc. Executive Director, was present for questions.

M/Fitzhenry, S/Sandahl to close the public hearing.

Motion carried 3-0.

M/Fitzhenry, S/Goettel that the following resolution be adopted and that they be made part of these minutes:

RESOLUTION NO. 11001

RESOLUTION GRANTING APPROVAL OF A CONDITIONAL USE PERMIT AND
VARIANCE AT 308 78TH STREET EAST

Motion carried 3-0. This resolution appears as Resolution No. 11001.

Item #9	CONSIDERATION OF THE SECOND READING OF AN ORDINANCE ESTABLISHING A 12-MONTH MORATORIUM ON NEW ESTABLISHMENTS ALLOWING INDOOR SMOKING OR SAMPLING OF TOBACCO OR SIMILAR PRODUCTS AND A RESOLUTION AUTHORIZING SUMMARY PUBLICATION OF THE ORDINANCE S.R. NO. 208
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Council Member Sandahl presented Staff Report No. 208.

Chris Farmer-Lies, 2652-13th Avenue, Association of Non-Smokers, spoke in support of the moratorium.

Council Member Sandahl stated she would be inclined to not exempt pre-existing establishments but would approve this ordinance.

Mayor Goettel requested separate air handler systems be reviewed for these types of establishments.

M/Sandahl, S/Fitzhenry that this constitutes the second reading of Bill No. 2014-7, Transitory Ordinance No. 18.95, establishing a 12 month moratorium on new establishments allowing indoor smoking or sampling of tobacco or similar products, that it be published in the official newspaper and that it be made part of these minutes, and that the following resolution be adopted and that it be made part of these minutes:

RESOLUTION NO. 11002

RESOLUTION APPROVING SUMMARY PUBLICATION OF ORDINANCE ESTABLISHING
A 12-MONTH MORATORIUM RELATED TO ESTABLISHMENTS ALLOWING INDOOR
SMOKING OR SAMPLING OF TOBACCO OR SIMILAR PRODUCTS

Motion carried 3-0. This resolution appears as Resolution No. 11002.

Item #10	CONSIDERATION OF A RESOLUTION AUTHORIZING CONDEMNATION OF PROPERTY FOR THE RECONSTRUCTION OF PORTLAND AVENUE S.R. NO. 209
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Mayor Goettel presented Staff Report No. 209.

Transportation Engineer Pearson provided an update on the status of property negotiations and easements.

Public Works Director Eastling stated it is not anticipated that residential properties will go through the entire condemnation process but it will assist those in foreclosure or bank-owned to move through the process.

M/Goettel, S/Sandahl that the following resolution be adopted and that it be made part of these minutes:

RESOLUTION NO. 11003

RESOLUTION AUTHORIZING AND DIRECTING THE CONDEMNATION OF EASEMENTS
ENCUMBERING CERTAIN REAL ESTATE FOR A PUBLIC PURPOSE

Motion carried 3-0. This resolution appears as Resolution No. 11003.

Item #11	CONSIDERATION OF AUTHORIZING THE RICHFIELD HOUSING AND REDEVELOPMENT AUTHORITY AND ITS STAFF TO NEGOTIATE A PRELIMINARY AGREEMENT AND/OR PURCHASE AGREEMENT WITH THE DONALD JAMES GROUP FOR THE FORMER CITY GARAGE SITE PENDING CITY COUNCIL RATIFICATION S.R. NO. 210
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Mayor Goettel presented Staff Report No. 210.

Community Development Director Stark stated it is anticipated there could be a 6-month exclusive rights agreement.

Donald James, developer, discussed the revised preliminary layout concept for the site.

M/Goettel, S/Sandahl to authorize the Richfield Housing and Redevelopment Authority and its staff to negotiate a preliminary agreement and/or purchase agreement with the Donald James Group for the former City garage site pending City Council ratification.

Motion carried 3-0.

Item #12	CITY MANAGER'S REPORT
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None.

Item #13	CLAIMS AND PAYROLLS
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M/Fitzhenry, S/Sandahl that the following claims and payrolls be approved:

U.S. Bank		11/10/14
A/P Checks: 235715-236163	\$	1,848,975.08
Payroll: 105693-106020	\$	543,484.44
TOTAL	\$	2,392,459.52

Motion carried 3-0.

OPEN FORUM

None.

ADJOURNMENT

The City Council open meeting was adjourned by unanimous consent at 8:08 p.m.

Date Approved: November 25, 2014

Debbie Goettel
Mayor

Cheryl Krumholz
Executive Coordinator

Steven L. Devich
City Manager



STAFF REPORT NO. 211
CITY COUNCIL MEETING

11/25/2014

REPORT PREPARED BY: Jesse Swenson, Asst. HR Manager
DEPARTMENT DIRECTOR REVIEW: Steven L. Devich
OTHER DEPARTMENT REVIEW: None
CITY MANAGER REVIEW: Steven L. Devich

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of resolutions amending the 2014-2015 labor agreements with Police Officers & Detectives (LELS Local 123), and Police Supervisors (LELS Local 162).

EXECUTIVE SUMMARY:

City staff has successfully completed labor negotiations with two labor unions which currently have 2-year agreements (2014-2015): Police Officers & Detectives LELS Local 123, and Police Supervisors LELS Local 162. Under the terms and conditions of both contracts, insurance was to be reopened for 2015.

Subject to Council approval, the tentatively approved settlement with each union provides identical health insurance benefits resulting in an Employer increase of \$55 per month for dependent coverage and \$60 per month for family coverage. Specifically, the provisions provide a maximum up to \$741.24 per month for Employee only coverage, \$1,045 per month for Employee plus spouse or Employee plus child(ren) coverage, and \$1,100 per month for Employee plus family coverage.

Additionally, the proposal increases the Employer contribution towards dental insurance to a maximum of \$58.50 per month for Employee single dental coverage.

RECOMMENDED ACTION:

By motion: Approve the resolutions designating an increase in the City's contribution toward health and dental insurance premiums, effective January 1, 2015, for the Police Officers & Detectives LELS Local 123, and the Police Supervisors LELS Local 162.

BASIS OF RECOMMENDATION:

A. **HISTORICAL CONTEXT:**

The Police Officers & Detectives, and the Police Supervisors bargaining units have two-years contracts with the City for contract years 2014-2015. There is an insurance re-opener in 2015 for both contracts.

B. **POLICIES (resolutions, ordinances, regulations, statutes, exc):**

- The City has met and negotiated in good faith with the two unions and its representatives and is bound under the terms of the Public Employer's Labor Relations Act to meet and bargain over the terms and conditions of employment.
- The proposed settlement for the re-opener provision is identical in health and dental insurance provisions provided to non-union City employees. The City has a long history of providing the same level of health and dental insurance benefits to all eligible City employees.
- The health insurance increase is well within the range for other comparable bargaining groups in similar metro cities. The City has a long history of trying to remain as close to the middle as possible of the Stanton 5 cities in

terms of wages and benefits.

C. **CRITICAL TIMING ISSUES:**

- In order to allow the City's accounting personnel the ability to modify payroll records in a timely manner for 2015 benefits, it is recommended that the City Council act on November 25, 2014 to adopt the attached resolution providing for contract changes. The health and dental insurance benefits are effective January 1, 2015.

D. **FINANCIAL IMPACT:**

- Up to a maximum \$60 per month increase in the City's contribution towards the employee's health insurance coverage.
- Up to a maximum \$6 per month increase in the City's contribution towards single dental insurance coverage.

E. **LEGAL CONSIDERATION:**

- If the terms of this agreement are not approved, further negotiation and/or mediation will be necessary.

ALTERNATIVE RECOMMENDATION(S):

- Do not approve the terms of this agreement and prepare for further negotiation and/or mediation.
- Defer discussion to another date.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description		Type
<input type="checkbox"/>	Resolutions	Resolution Letter

RESOLUTION NO. _____

**RESOLUTION DESIGNATING CITY'S CONTRIBUTION
TOWARDS HEALTH AND DENTAL INSURANCE PREMIUMS
FOR EMPLOYEES COVERED BY THE
LAW ENFORCEMENT LABOR SERVICES LOCAL 162**

WHEREAS, the City of Richfield and Law Enforcement Labor Services Local 162 signed a bargaining agreement covering a two year period from January 1, 2014 through December 31, 2015; and

WHEREAS, the labor agreement covers all terms and conditions of employment including the City contribution for health insurance benefits; and

WHEREAS, Article 26 of the labor agreement provides for either party to amend the provisions in Article 17, Insurance; and

WHEREAS, the City has historically provided the same level of health insurance contribution to all eligible City employees, both union and non-union; and

WHEREAS, the City desires to maintain such a position of equity; and

WHEREAS, the City Council is required to determine, by resolution, the City's contribution toward the premium for employee group insurance coverage.

NOW, THEREFORE, BE IT RESOLVED that the City shall contribute up to a maximum of \$741.24 per month for employee only health insurance coverage, \$1,045 per month for employee plus spouse or employee plus child(ren) health insurance coverage, and \$1,100 per month for family health insurance, and in any event, said contributions shall not exceed the cost of single coverage for employees selecting that option. Such contributions shall be for coverage effective January 1, 2015; and

BE IT FURTHER RESOLVED that the City shall contribute a maximum of \$58.50 per month for employee single dental insurance. Such contribution shall be for coverage effective January 1, 2015.

Adopted by the City Council of the City of Richfield, Minnesota this 25th day of November 2014.

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk

RESOLUTION NO. _____

**RESOLUTION DESIGNATING CITY'S CONTRIBUTION
TOWARDS HEALTH AND DENTAL INSURANCE PREMIUMS
FOR EMPLOYEES COVERED BY THE
LAW ENFORCEMENT LABOR SERVICES LOCAL 123**

WHEREAS, the City of Richfield and Law Enforcement Labor Services Local 123 signed a bargaining agreement covering a two year period from January 1, 2014 through December 31, 2015; and

WHEREAS, the labor agreement covers all terms and conditions of employment including the City contribution for health insurance benefits; and

WHEREAS, Article 28 of the labor agreement provides for either party to amend the provisions in Article 16, Insurance; and

WHEREAS, the City has historically provided the same level of health insurance contribution to all eligible City employees, both union and non-union; and

WHEREAS, the City desires to maintain such a position of equity; and

WHEREAS, the City Council is required to determine, by resolution, the City's contribution toward the premium for employee group insurance coverage.

NOW, THEREFORE, BE IT RESOLVED that the City shall contribute up to a maximum of \$741.24 per month for employee only health insurance coverage, \$1,045 per month for employee plus spouse or employee plus child(ren) health insurance coverage, and \$1,100 per month for family health insurance, and in any event, said contributions shall not exceed the cost of single coverage for employees selecting that option. Such contributions shall be for coverage effective January 1, 2015; and

BE IT FURTHER RESOLVED that the City shall contribute a maximum of \$58.50 per month for employee single dental insurance. Such contribution shall be for coverage effective January 1, 2015.

Adopted by the City Council of the City of Richfield, Minnesota this 25th day of November 2015.

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk



STAFF REPORT NO. 212

CITY COUNCIL MEETING

11/25/2014

REPORT PREPARED BY: Chris Regis, Finance Manager

DEPARTMENT DIRECTOR REVIEW: Steven L. Devich

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Steven L. Devich

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution authorizing an accounting change from an Enterprise (Proprietary) Fund to three Special Revenue Funds for the Recreation Enterprise Fund.

EXECUTIVE SUMMARY:

The Ice Arena, Swimming Pool and Special Facility operations comprise the City's Recreation Enterprise Fund. At the conclusion of the 2013 audit process, the City's auditors, KDV, recommended reclassifying the Recreation Enterprise Fund operations to three Special Revenue Funds. The basis for this recommendation is the operating revenues generated by the Recreation Enterprise Fund are consistently not covering the operating expenses of the fund. Therefore, the fund is not truly operating as an enterprise fund.

Staff is in agreement with the recommendation to reclassify the Recreation Enterprise Fund operations to three Special Revenue Funds and the required change in accounting.

This accounting change acknowledges that the Ice Arena, Swimming Pool, and Special Facilities operations may or may not be able to generate enough fee revenue to support operational costs, but staff believes the operations to be of a general benefit to the community and as such, will support the operations by supplemental funding if necessary.

The proposed accounting change would be effective for the current (January 1, - December 31, 2014) fiscal year.

RECOMMENDED ACTION:

By Motion: Approve a resolution authorizing an accounting change from an Enterprise (Proprietary) Fund to three Special Revenue Funds for the Recreation Enterprise Fund (Ice Arena, Swimming Pool, and Special Facilities).

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT:

- To help facilitate this accounting change, at the October 28, 2014 City Council meeting, the City Council approved the calling of the Gross Revenue Ice Arena Bonds, Series 1999. In addition, the Council also approved an internal loan to the Ice Arena operation to fund the calling of the bonds. The bonds are scheduled to be called on December 5, 2014.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

- Staff believes that the Special Revenue Fund type more accurately represents the activity of the three

operations and that this fund type will be a more transparent approach.

C. **CRITICAL TIMING ISSUES:**

There are no critical timing issues.

D. **FINANCIAL IMPACT:**

- Beginning with the 2014 Revised and 2015 Proposed budgets, a \$100,000 operating transfer from the General Fund to these three operations is included. It is anticipated that this will be an annual operating transfer to support the Ice Arena, Swimming Pool, and Special Facilities operations.

E. **LEGAL CONSIDERATION:**

There are no legal issues.

ALTERNATIVE RECOMMENDATION(S):

There are no alternative recommendations.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None.

ATTACHMENTS:

Description		Type
	Resolution Accounting Change	Cover Memo

RESOLUTION NO.

RESOLUTION AUTHORIZING ACCOUNTING CHANGE FROM AN ENTERPRISE (PROPRIETARY) FUND TO THREE SPECIAL REVENUE FUNDS – ICE ARENA, SWIMMING POOL, AND SPECIAL FACILITIES

WHEREAS, Generally Accepted Accounting Principles (GAAP) allow for reporting Business type activities as either Enterprise funds or Special Revenue funds, and

WHEREAS, reporting the operations of the Recreation Enterprise Fund, Ice Arena, Swimming Pool, and Special Facility operations as Special Revenue fund activity would increase the clarity/transparency of the City commitment to these ventures, and

WHEREAS, the City Council of the City of Richfield beginning with the current (January 1, - December 31, 2014) fiscal year wishes to change the method by which it accounts for the Recreation Enterprise Fund operations; Ice Arena, Swimming Pool, and Special Facilities, and

WHEREAS, GASB 54 requires the governing body to formalize the commitment of the specific revenue sources to specified purposes.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Richfield that effective January 1, 2014, the Recreation Enterprise Fund operations; Ice Arena, Swimming Pool, and Special Facilities, will be accounted for in three Special Revenue Funds.

BE IT FURTHER RESOLVED that the specific revenue source of the special revenue funds and the specific purposes for which they are committed are as follows:

Fund	Specific Revenue Source	Committed For
Ice Arena	User Fees and Charges	Ice Arena Operations
Swimming Pool	User Fees and Charges	Swimming Pool Operations
Special Facilities	User Fees and Charges	Special Facility Operations

AND BE IT FURTHER RESOLVED that any unrestricted fund balance in these special revenue funds is committed by the Council to the specific purpose of the funds.

Adopted by the City Council of the City of Richfield, Minnesota this 25th day of November, 2014

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk



STAFF REPORT NO. 213
CITY COUNCIL MEETING
11/25/2014

REPORT PREPARED BY: Robert Hintgen, Utility Superintendent
DEPARTMENT DIRECTOR REVIEW: Mike Eastling, Public Works Director
OTHER DEPARTMENT REVIEW: N/A
CITY MANAGER REVIEW: Steven L. Devich

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a contract with Graymont (WI), LLC Company for the purchase of 1,400 tons of quick lime in the amount of \$225,330.00 for water treatment in 2015.

EXECUTIVE SUMMARY:

Quick lime is a chemical used in the water treatment process to lower hardness in water. Approximately 1,400 tons of quick lime is required each year to produce softened water. On November 6, 2014, a bid opening was held and two bids were submitted. Graymont (WI), LLC Company was the lowest bidder and meeting all specifications and requirements.

RECOMMENDED ACTION:

By Motion: Approve contract with Graymont (WI), LLC Company for the purchase of quick lime in the amount of \$225,330.00 (\$160.95/ton) for 2015.

BASIS OF RECOMMENDATION:

A. **HISTORICAL CONTEXT:**

History of Quick Lime Contracts

In the bid specifications for Quick Lime language was included to allow the contract to be extended for additional one-year periods to a maximum contract period of three years (with mutual consent of both parties). Graymont agreed to a one-year extension in 2011 at no increase in price. However, Graymont did not agree to extensions in 2012, 2013, 2014 or 2015, and instead, the City went through the bidding process.

On October 23, 2014, the ad for bid was published in the Sun Current with a bid opening on November 6, 2014. There were 2 bids received with Graymont being the lowest at \$160.95/ton, or 3.94% price increase for 2015.

B. **POLICIES (resolutions, ordinances, regulations, statutes, exc):**

Contracts estimated to have a value over \$100,000 must be made by sealed bids, solicited by public notice and awarded to the lowest responsible bidder.

C. **CRITICAL TIMING ISSUES:**

Quick lime is a necessary chemical required in the water softening process. The current contract expires on December 31, 2014.

D. **FINANCIAL IMPACT:**

A recent history of prices for this product is:

-

<u>Years</u>	<u>Base Price</u>	<u>Est. Annual Cost</u>	<u>Vendor</u>
2007	\$95.20/Ton	\$133,280.00	Cutler Magner
2008	\$99.65/Ton	\$139,510.00	Cutler Magner
2009	\$112.00/Ton	\$156,800.00	Graymont
2010	\$120.00/Ton	\$168,000.00	Graymont
2011	\$120.00/Ton	\$168,000.00	Graymont
2012	\$124.45/Ton	\$174,230.00	Graymont
2013	\$143.00/Ton	\$200,200.00	Graymont
2014	\$154.85/Ton	\$216,790.00	Graymont
2015	\$160.95/Ton	\$225,330.00	Graymont

Funding for the purchase of quick lime is in the 2015 Water Department Budget, line item 51000-6413 (Chemicals).

E. LEGAL CONSIDERATION:

When the purchase of materials, merchandise, equipment or construction exceeds \$100,000, authority to purchase shall be submitted to the City Council for consideration

ALTERNATIVE RECOMMENDATION(S):

Council may reject the bid and direct staff to re-advertise; however, staff does not believe a better price can be obtained from a reputable contractor.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
<input type="checkbox"/> Bid tabulation	Backup Material
<input type="checkbox"/> Contract	Contract/Agreement

BID TABULATION SHEET

WATER TREATMENT CHEMICALS - QUICK LIME

Bid Number 14-08

Bid Opening: 2:00 p.m., Thursday, November 6, 2014

Municipal Center, Babcock Room

Award of Contract: November 25, 2014

Vendor	Bond	Non-Collusion	Intent to Comply	Total Bid(s)
<u>Graymont, (WI), LLC</u>	X	X	X	
Quicklime, bulk delivery, (price per ton)				\$160.95/ton
Base freight rate (price per ton)				Included
Total bid				\$160.95/ton
<u>Pete Lien & Sons, Inc.</u>	X	X	X	
Quicklime, bulk delivery, (price per ton)				\$120.75/ton
Base freight rate (price per ton)				\$127.41/ton
Total bid				\$248.16/ton

CITY OF RICHFIELD
HENNEPIN COUNTY, MINNESOTA
C O N T R A C T

Purchase of Quick Lime
Bid No. 14-08
Contract No. 2804

THIS AGREEMENT made this 25th day of November 2014 between the City of Richfield, Minnesota, acting by and through its Mayor and City Manager, herein called "The City," and Graymont (WI), LLC, 800 Hill Avenue, Superior, WI 54880, the "Contractor," witnesseth; that the Contractor, in consideration of the payment of the contract price therefore, amounting substantially to TWO HUNDRED TWENTY FIVE THOUSAND, THREE HUNDRED AND NO/100 (\$225,330.00) Dollars agrees to furnish all materials (except such as are specified to be furnished by the City, if any), all necessary tools and equipment, and to do and perform all the necessary work and labor for the full completion of City projects as follows:

Purchase of 1,400 Tons of Quick Lime for the Water Treatment Plant
At 6221 Portland Avenue South

as per specifications, for the price and compensation set forth and specified in the proposal signed by the Contractor, which is hereto attached and hereby made a part of this Agreement, all in accordance with the specifications and special provisions therefore on file in the office of the Utility Superintendent, City of Richfield, and hereby made a part of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto and there respective successors and assigns.

"The contract price is a unit price of \$160.95 per ton in calendar year 2015."

The Contractor agrees that the work shall be done and performed in the best and most workmanlike manner; that all materials and labor shall be in strict conformity in every respect with the plans, specifications and special provisions for the improvement, shall be subject to inspection and approval of the City or a duly authorized engineer of the City, and in case any material or labor supplied shall be rejected by the City or engineer as defective or unsuitable, then such rejected material shall be removed, and replaced with approved material and the rejected labor shall be done anew to the satisfaction and Approval of the City or Utility Superintendent and at the cost and expense of the Contractor.

Purchase of Quick Lime
Bid No. 14-08
Contract No. 2804

The Contractor further agrees that he will commence work immediately upon receipt of contract, and will have all work done and the improvement fully completed to the satisfaction and approval of the City Council of the City of Richfield, Minnesota, as provided in the specifications.

Time is the essence of this contract for prompt completion and if the Contractor shall fail to complete the work within the time herein specified, the City shall have the right to deduct from the unpaid part of the contract price, the amount, or amounts specified in the specifications, or, if no moneys shall be due the Contractor, to recover damages in accordance with said specifications, for each and every working day thereafter during which the contract shall remain unfinished and incomplete, such damages being hereby agreed upon as liquidated damages in lieu of actual damages occasioned by such delay, but special provisions, if any, contained in the proposal are also continued in effect and shall be read and construed as part of this provision as to the completion and liquidated damages for delay.

It is agreed, however, that upon receipt of written notice from the Contractor of the existence of causes over which the Contractor has no control and which will delay the completion of the work, the City Council in its discretion, and in accordance with the specifications, may extend the date hereinbefore specified for completion, and in such case the Contractor shall become liable for said liquidated damages only for failure to perform within the time so extended.

It is agreed, also, that delays caused by the elements or by strikes or other combined action of workmen employed in the construction or in the transportation of materials, but in no part caused or resulting from default or collusion on the part of the Contractor, shall be excused to the extent which the City Council may find and determine such conditions to have delayed completion within the time limit, but the judgement of the City Council in fixing such amount shall be final and conclusive upon the parties hereto.

It is distinctly understood and agreed that no claims for extra work done or materials furnished by the Contractor will be allowed by the City Council except as provided herein, nor shall the Contractor do any work or furnish any materials not covered by the plans, specifications, special provisions, and this contract, unless such work is first ordered in writing, as provided in the specifications.

Any such work or materials which may be done or furnished by the Contractor without such written order first being given shall be at his own risk, cost and expense, and he hereby agrees that without such written order he will make no claim for compensation for work or materials so done or furnished.

Purchase of Quick Lime
Bid No. 14-08
Contract No. 2804

It is further agreed, anything to the contrary notwithstanding, that the City of Richfield, City Council, and its agents or employees shall not be personally liable or responsible in any manner to the Contractor, Subcontractors, materialmen, laborers, or to any person or persons whomsoever, for any claim, demand, damages, actions or causes of action of any kind or character arising out of or by reason of the execution of this Agreement or the performance and completion of the work and improvement provided herein.

Dated at Richfield, Minnesota, this 25th day of November 2014.

Signatures for Graymont (WI), LLC.

By _____

Its _____

Date _____

By _____

Its _____

Date _____

Signatures for City of Richfield, MN

By _____
Debbie Goettel, Mayor

Date _____

By _____
Steven L. Devich, City Manager

Date _____



STAFF REPORT NO. 214

CITY COUNCIL MEETING

11/25/2014

REPORT PREPARED BY:	Jeff Pearson, Transportation Engineer
DEPARTMENT DIRECTOR REVIEW:	Mike Eastling, Public Works Director
OTHER DEPARTMENT REVIEW:	N/A
CITY MANAGER REVIEW:	Steven L. Devich

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution authorizing the 77th St Underpass Project application submission for Federal Surface Transportation funds under the Regional Solicitation process.

EXECUTIVE SUMMARY:

The Metropolitan Council is currently accepting applications as part of the Regional Solicitation process for federal funding of transportation projects. The 77th Street Underpass Project meets all of the qualifications under the category of "Roadway including multimodal elements." With Council approval, staff is preparing to submit an application for the requested amount of \$7,000,000 to be contributed to the project. If successful, funding could be applied to construction as early as 2017. Applications are due December 1, 2014.

RECOMMENDED ACTION:

By Motion: Approve the resolution approving the submission of the 77th Street Underpass Project funding application for Federal Surface Transportation Program (STP) funds.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT:

The Metropolitan Council and the Transportation Advisory Board have released the 2014 Solicitation Package for federal funds. The regional solicitation process selects projects to be funded within the following categories:

- Roadways including multimodal elements
- Bicycle and Pedestrian Facilities
- Transit and Travel Demand
- Bridge Improvement or Replacement Program (BIR)

Applications in the category of 'Roadways' must be for construction projects that fit the following criteria:

- A roadway project that adds thru-lane capacity.
- Projects must be located on a non-Freeway Principal Arterial or "A" Minor Arterial functionally-classified roadway, consistent with the map adopted by TAB on August 20, 2014.

B. POLICIES (resolutions, ordinances, regulations, statutes, exc):

- The proposed project meets multiple goals in the City's Comprehensive Plan (Transportation).

C. **CRITICAL TIMING ISSUES:**

- The deadline for Regional Solicitation applications is December 1, 2014.

D. **FINANCIAL IMPACT:**

- The construction cost of the underpass is estimated to be \$13.5-15 Million. If selected for STP funds, up to \$7,000,000 would be funded with Federal dollars and the remaining amount would be funded with both State and Local funds.

E. **LEGAL CONSIDERATION:**

- The City Attorney will be available to answer questions.

ALTERNATIVE RECOMMENDATION(S):

- Council may choose not to adopt the resolution and therefore not submit an application for the federal funds.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description		Type
	Underpass Funding Resolution	Resolution Letter

RESOLUTION NO.

**RESOLUTION AUTHORIZING SUBMISSION OF THE 77TH STREET UNDERPASS
PROJECT FUNDING APPLICATION FOR FEDERAL SURFACE TRANSPORTATION
PROGRAM FUNDS**

WHEREAS, the City of Richfield has previously completed phased improvements to 77th Street Corridor including 77th Street expansion and the reconstruction of the Penn Avenue Bridge over I-494, the 76th Street Bridge over I-35W, and the Lyndale Avenue Bridge over I-494; and

WHEREAS, the City of Richfield proposes to provide a multi-modal connection via the 77th Street underpass to regional destinations such as MSP International Airport and the Mall of America as well as a Regional Trail connection between the Minneapolis Grand Rounds system and the Minnesota National Wildlife Refuge; and

WHEREAS, the City of Richfield understands that the 77th Street Underpass Project will aid I-494 traffic congestion by removing local vehicle trips from the Principal Arterial system as well as providing increased transit service to destinations along the corridor; and

WHEREAS, the City of Richfield has determined that the 77th Street Underpass Project will create increased redevelopment opportunities along the I-494 corridor.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Richfield approves the submission of the 77th Street Underpass 2014 Application for Federal Surface Transportation Program funds. The application includes the construction of 77th Street via underpass of TH 77 to complete the planned A Minor Arterial Reliever and improve connections to destinations for walking, biking, and transit use along this corridor.

Adopted by the City Council of the City of Richfield, Minnesota this 25th day of November, 2014.

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk



STAFF REPORT NO. 215
CITY COUNCIL MEETING

11/25/2014

REPORT PREPARED BY: Robert Hintgen, Utility Superintendent
DEPARTMENT DIRECTOR REVIEW: Mike Eastling, Public Works Director
OTHER DEPARTMENT REVIEW: N/A
CITY MANAGER REVIEW: Steven L. Devich

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution authorizing the Source Water Protection Plan Implementation Grant agreement between the City of Richfield and the Minnesota Department of Health.

EXECUTIVE SUMMARY:

In September of 2014, the City of Richfield applied for and received the Source Water Protection Plan Implementation Grant. The total grant awarded is \$10,000 with funding availability on November 15, 2014.

The grant will be used to fund the second year of a 2-year inspection program of commercial properties to ensure a complete physical separation between the City's water system and private water supplies (wells). These inspections are being scheduled to enforce the existing city ordinance (Section 710.33).

RECOMMENDED ACTION:

By Motion: Approve the resolution authorizing the Source Water Protection Plan Implementation Grant agreement between the City of Richfield and the Minnesota Department of Health (MDH).

BASIS OF RECOMMENDATION:

A. **HISTORICAL CONTEXT:**

According to Minnesota Statute 465.03, the City is required to approve a resolution when accepting grant funding. In September of 2014, the City of Richfield applied for and received the Source Water Protection Plan Implementation Grant. The total grant awarded is \$10,000 with funding availability on November 15, 2014.

The grant will be used to fund the second year of a 2-year inspection program of commercial properties to ensure a complete physical separation between the City's water system and private water supplies (wells). These inspections are being scheduled to enforce the existing city ordinance (Section 710.33). 113 properties were inspected during the first year with no cross connections found.

B. **POLICIES (resolutions, ordinances, regulations, statutes, exc):**

Minnesota Statute 465.03 requires that the City approve a resolution accepting the funds of the grant money.

C. **CRITICAL TIMING ISSUES:**

Terms of the grant agreement are November 15, 2014 through April 30, 2016. The allotted grant funds must be spent by April 30, 2016.

D. **FINANCIAL IMPACT:**

The grant money aids in reducing the costs associated with managing the City of Richfield Wellhead Protection Plan – Part 2.

E. **LEGAL CONSIDERATION:**

The City attorney has reviewed the staff report and resolution.

ALTERNATIVE RECOMMENDATION(S):

The Council could choose not to approve the resolution, which would void the acceptance of the grant.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description		Type
<input type="checkbox"/>	Resolution	Resolution Letter
<input type="checkbox"/>	Grant agreement	Contract/Agreement

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE CITY OF RICHFIELD
TO ENTER INTO A SOURCE WATER PROTECTION PLAN
IMPLEMENTATION GRANT AGREEMENT WITH THE
MINNESOTA DEPARTMENT OF HEALTH FOR \$10,000
TO BE USED IN THE CONTINUED DEVELOPMENT,
PUBLIC EDUCATION, AND ENFORCEMENT OF THE
CITY OF RICHFIELD WELLHEAD PROTECTION PLAN –
PART 2.**

WHEREAS, the City of Richfield Water Department, has applied for and received a Source Water Protection Plan Implementation Grant in the amount of \$10,000; and

WHEREAS, The City intends to use these funds to aid in the development, education, and enforcement of the City's Wellhead Protection Plan – Part 2; and

WHEREAS, Minnesota statute 465.03 requires every acceptance of a grant or devise of real personal property on terms prescribed by the donor be made by resolution by a two-thirds majority of the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richfield, Minnesota as follows:

1. The City Council of the City of Richfield hereby authorizes the Mayor and City Manager to enter into a Source Water Protection Plan Implementation Grant agreement with the Minnesota Department of Health in the amount of \$10,000.
2. Appropriate City personnel are authorized to administer the funds in accordance with the grant agreement and the terms described by the Minnesota Department of Health.

Adopted by the City Council of the City of Richfield, Minnesota this 25th day of November, 2014.

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk



Encumbrance Worksheet

5/30/14

Vendor Name: City of Richfield (Richfield, City of)		Vendor Number: 0000197711	
Address: 1901 East 66 th Street, Richfield, MN 55423		Federal Employer I.D. or Social Security #: 41-6005490	
Requestor's Name/Employee ID #: (for SWIFT entry)		MN Tax I.D. # (if applicable):	
Starting Fiscal Year:	2015	Total amount of Original Agreement: (include initial request and all previous amendment totals)	\$10,000
Start Date:	11/15/2014	Total Amount of this Amendment:	\$
Initial End Date:	04/30/2016		
Revised End Date:			
Please Check ONE OPTION for amendments:		Time Only	Money Only

ACCOUNTING INFORMATION

Fiscal Year 2015					
Fund	Dept ID	Appr ID	Project ID	Activity ID	Amount
2302	H123 2139	H12555P			\$ 10,000
	H123				\$
	H123				\$
CFDA # (if Federal \$)					

Fiscal Year 201_					
Fund	Dept ID	Appr ID	Project ID	Activity ID	Amount
	H123				\$
	H123				\$
	H123				\$

Fiscal Year 201_					
Fund	Dept ID	Appr ID	Project ID	Activity ID	Amount
	H123				\$
	H123				\$
	H123				\$

FINANCIAL MANAGEMENT ONLY

Authorized Signature for Encumbrance	<i>Maureen Gessmer</i>	Date	10/30/14
Contract Number	85614	Origin Code	649
Purchase Order Number	300026933	Source Type	
Category Code	84101501	Account ID	441252

NOTE: This page of the Agreement Contract contains confidential information and should not be reproduced or distributed externally without written permission from the Vendor. Internal circulation of this page should only be to individuals/offices signing this Agreement Contract and those that require access to the tax identification number.



If you circulate this grant agreement internally, only offices that require access to the tax identification number AND all individuals/offices signing this grant agreement should have access to this document.

Minnesota Department of Health Grant Agreement

This grant agreement is between the State of Minnesota, acting through its Commissioner of the Department of Health ("State") and City of Richfield ("Grantee"). Grantee's address is 1901 East 66th Street, Richfield, MN 55423.

Recitals

1. Under Minnesota Statutes 144.0742 and §114D.50 Clean Water Fund, the State is empowered to enter into this grant agreement.
2. The State is in need of assisting public water suppliers to protect the source of drinking water.
3. The Grantee represents that it is duly qualified and will perform all the duties described in this agreement to the satisfaction of the State. Pursuant to Minnesota Statutes section 16B.98, subdivision 1, the Grantee agrees to minimize administrative costs as a condition of this grant.

Grant Agreement

1. *Term of Agreement*

1.1 *Effective date* November 15, 2014, or the date the State obtains all required signatures under Minnesota Statutes section 16C.05, subdivision 2, whichever is later.

The Grantee must not begin work until this contract is fully executed and the State's Authorized Representative has notified the Grantee that work may commence.

1.2 *Expiration date* April 30, 2016, or until all obligations have been fulfilled to the satisfaction of the State, whichever occurs first.

1.3 *Survival of Terms* The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10.1 Government Data Practices; 10.2 Data Disclosure; 12. Intellectual Property; 14.1 Publicity; 14.2 Endorsement; and 16. Governing Law, Jurisdiction, and Venue.

2. *Grantee's Duties* The Grantee, who is not a state employee, shall:

- Complete to the satisfaction of the State all of the following duties:
 - Inspect commercial properties within the boundaries of the DWSMA to ensure a complete physical separation between private water supply wells and the City's water supply system, in order to prevent cross-contamination of the public water supply systems. The inspections will include approx. 120 commercial properties within the DWSMA and will involve verifying that any private wells are not connected to public water supply infrastructure.



- Grantee agrees that no system of water supply for public use shall be installed, altered or extended until complete plans and specifications for the installation, alteration or extension have been submitted and approved by the State, and no construction shall take place except in accordance with the approved plans. No grant funds can be used prior to approval of the plans. Failure to submit plans for approval within the first 2 months from the start date of the grant may result in termination of the grant award.
- The Grantee shall use the Clean Water Land and Legacy Amendment logo on all materials that are purchased or produced under this Grant Agreement (equipment, reports to the public, publications, displays, videos). Failure to display the logo may render the Grantee ineligible for reimbursement.
- On or before the end date of this Agreement, the Grantee shall provide the State with one electronic copy of all final products produced under this Grant Agreement, including reports, publications, software and videos. If required by the nature of the project, data collected during the project shall be reported in a format acceptable to the State.
- The Grantee shall pay in full any licensed contractor hired for the purpose of completing any work under this Grant Agreement within 10 days of receiving payment from the State.
- The Grantee shall submit an itemized invoice for the total cost of the project
- Exhibits A and B are attached and incorporated into this grant agreement. Upon completion of the project Grantee shall submit a Grant Narrative Report (Exhibit A) and a Grant Invoice (Exhibit B). The Grant Narrative Report and the Grant Invoice shall be due no later than the expiration day of this Grant Agreement.
- In the event the Grantee is unable to begin grant activities or to satisfactorily perform the duties specified in this grant agreement, including but not limited to paying the contractor in full for all work performed by the contractor, the Grantee shall remit to the State within five days of demand all amounts paid to the Grantee pursuant to this Grant Agreement minus any actual expenses incurred and specifically authorized, in advance, by the State and which are documented by adequate invoices acceptable to the State.

3. Time The Grantee must comply with all the time requirements described in this grant agreement. In the performance of this grant agreement, time is of the essence, and failure to meet a deadline may be a basis for a determination by the State's Authorized Representative that the Grantee has not complied with the terms of the grant.

The Grantee is required to perform all of the duties recited above within the grant period. The State is not obligated to extend the grant period.



4. Consideration and Payment

4.1 Consideration The State will pay for all services performed by the Grantee under this grant agreement as follows:

(a) Compensation. The Grantee will be paid according to the following breakdown of costs:

Activity	Grant Amount
Physical inspection of approx. 120 commercial properties	\$10,000
Total	\$10,000

(b) Total Obligation The total obligation of the State for all compensation and reimbursements to the Grantee under this agreement will not exceed \$10,000 (ten thousand dollars).

The following costs are not eligible and will be deducted from the final invoice, before reimbursement:
- indirect or administrative costs related to the grant

(c) Travel Expenses The Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget ("MMB"). The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state

(d) Budget Modifications. Modifications greater than 10 percent of any budget line item in the most recently approved budget (listed in 4.1(a) and 4.1(b)) requires prior written approval from the State and must be indicated on submitted reports. Failure to obtain prior written approval for modifications greater than 10 percent of any budget line item may result in denial of modification request and/or loss of funds. Modifications equal to or less than 10 percent of any budget line item are permitted without prior approval from the State provided that such modification is indicated on submitted reports and that the total obligation of the State for all compensation and reimbursements to the Grantee shall not exceed the total obligation listed in 4.1(b).

4.2 Terms of Payment

(a) Invoices The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted in a timely fashion and according to the following schedule: upon completion of the services.

The State does not pay merely for the passage of time.

All the grant documentation (Grant Narrative Report, Grant Invoice, itemized invoice(s), electronic copies) must be submitted in one packet by either email or mail. The Grantee shall use the following mailing address:



Attn: Cristina Covalschi
Source Water Protection
Minnesota Department of Health
PO Box 64975, St. Paul, MN 55164-0975

If the final invoice is not received by the State before the end date of this Grant Agreement, the Grantee may forfeit the final payment.

5. Conditions of Payment All services provided by Grantee pursuant to this agreement must be performed to the satisfaction of the State, as determined in the sole discretion of its Authorized Representative. Further, all services provided by the Grantee must be in accord with all applicable federal, state, and local laws, ordinances, rules and regulations. Requirements of receiving grant funds may include, but are not limited to: financial reconciliations of payments to Grantees, site visits of the Grantee, programmatic monitoring of work performed by the Grantee and program evaluation. The Grantee will not be paid for work that the State deems unsatisfactory, or performed in violation of federal, state or local law, ordinance, rule or regulation.

6. Authorized Representatives

6.1 State's Authorized Representative The State's Authorized Representative for purposes of administering this agreement is Cristina Covalschi, SWP Grants Coordinator, address: 625 Robert Street N, PO Box 64975, Saint Paul, MN 55164-0975, phone: 651-201-4696, email address: Cristina.Covalschi@State.mn.us, or her successor, and has the responsibility to monitor the Grantee's performance and the final authority to accept the services provided under this agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2 Grantee's Authorized Representative The Grantee's Authorized Representative is Robert Hintgen, Utilities Superintendent, address: 1901 East 66th Street, Richfield, MN 55423, phone: 612-861-9165, or his successor. The Grantee's Authorized Representative has full authority to represent the Grantee in fulfillment of the terms, conditions, and requirements of this agreement. If the Grantee selects a new Authorized Representative at any time during this agreement, the Grantee must immediately notify the State in writing, via e-mail or letter.

7. Assignment, Amendments, Waiver, and Merger

7.1 Assignment The Grantee shall neither assign nor transfer any rights or obligations under this agreement without the prior written consent of the State.

7.2 Amendments If there are any amendments to this agreement, they must be in writing. Amendments will not be effective until they have been executed and approved by the State and Grantee.

7.3 Waiver If the State fails to enforce any provision of this agreement, that failure does not waive the provision or the State's right to enforce it.



7.4 Merger This agreement contains all the negotiations and agreements between the State and the Grantee. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.

8. Liability The Grantee must indemnify and hold harmless the State, its agents, and employees from all claims or causes of action, including attorneys' fees incurred by the State, arising from the performance of this agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this agreement. Nothing in this clause may be construed as a waiver by the Grantee of any immunities or limitations of liability to which Grantee may be entitled pursuant to Minnesota Statutes Chapter 466, or any other statute or law.

9. State Audits Under Minnesota Statutes section 16B.98, subdivision 8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee, or any other relevant party or transaction, are subject to examination by the State, the State Auditor, and the Legislative Auditor, as appropriate, for a minimum of six (6) years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10. Government Data Practices and Data Disclosure

10.1 Government Data Practices Pursuant to Minnesota Statutes Chapter 13.05, Subd. 11(a), the Grantee and the State must comply with the Minnesota Government Data Practices Act as it applies to all data provided by the State under this agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this agreement. The civil remedies of Minnesota Statutes section 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before any data is released. The Grantee's response to the request must comply with the applicable law.

10.2 Data Disclosure Pursuant to Minnesota Statutes section 270C.65, subdivision 3, and all other applicable laws, the Grantee consents to disclosure of its social security number, federal employee tax identification number, and Minnesota tax identification number, all of which have already been provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

11. Ownership of Equipment

The State shall have the right to require transfer of all equipment purchased with grant funds (including title) to the State or to an eligible non-State party named by the State. This right will normally be exercised by the State only if the project or program for which the equipment was acquired is transferred from one grantee to another.

12. Ownership of Materials and Intellectual Property Rights



12.1 Ownership of Materials The State shall own all rights, title and interest in all of the materials conceived or created by the Grantee, or its employees or subgrantees, either individually or jointly with others and which arise out of the performance of this grant agreement, including any inventions, reports, studies, designs, drawings, specifications, notes, documents, software and documentation, computer based training modules, electronically, magnetically or digitally recorded material, and other work in whatever form ("materials").

The Grantee hereby assigns to the State all rights, title and interest to the materials. The Grantee shall, upon request of the State, execute all papers and perform all other acts necessary to assist the State to obtain and register copyrights, patents or other forms of protection provided by law for the materials. The materials created under this grant agreement by the Grantee, its employees or subgrantees, individually or jointly with others, shall be considered "works made for hire" as defined by the United States Copyright Act. All of the materials, whether in paper, electronic, or other form, shall be remitted to the State by the Grantee. Its employees and any subgrantees shall not copy, reproduce, allow or cause to have the materials copied, reproduced or used for any purpose other than performance of the Grantee's obligations under this grant agreement without the prior written consent of the State's Authorized Representative.

12.2 Intellectual Property Rights Grantee represents and warrants that materials produced or used under this grant agreement do not and will not infringe upon any intellectual property rights of another including but not limited to patents, copyrights, trade secrets, trade names, and service marks and names. Grantee shall indemnify and defend the State, at Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or parts of the materials infringe upon the intellectual property rights of another. Grantee shall be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages including, but not limited to, reasonable attorney fees arising out of this grant agreement, amendments and supplements thereto, which are attributable to such claims or actions. If such a claim or action arises or in Grantee's or the State's opinion is likely to arise, Grantee shall at the State's discretion either procure for the State the right or license to continue using the materials at issue or replace or modify the allegedly infringing materials. This remedy shall be in addition to and shall not be exclusive of other remedies provided by law.

13. Workers' Compensation The Grantee certifies that it is in compliance with Minnesota Statutes section 176.181, subdivision 2, which pertains to workers' compensation insurance coverage. The Grantee's employees and agents, and any contractor hired by the Grantee to perform the work required by this Grant Agreement and its employees, will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees, and any claims made by any third party as a consequence of any act or omission on the part of these employees, are in no way the State's obligation or responsibility.

14. Publicity and Endorsement

14.1 Publicity Any publicity given to the program, publications, or services provided resulting from this grant agreement, including, but not limited to, notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee or its employees individually or jointly with others, or any subgrantees shall identify the State as the sponsoring agency and shall not be released without prior written approval by the State's Authorized Representative, unless such release is a specific part of an approved work plan included in this grant agreement.



14.2 Endorsement The Grantee must not claim that the State endorses its products or services.

15. Termination

15.1 Termination by the State or Grantee The State or Grantee may cancel this grant agreement at any time, with or without cause, upon thirty (30) days written notice to the other party.

15.2 Termination for Cause If the Grantee fails to comply with the provisions of this grant agreement, the State may terminate this grant agreement without prejudice to the right of the State to recover any money previously paid. The termination shall be effective five business days after the State mails, by certified mail, return receipt requested, written notice of termination to the Grantee at its last known address.

15.3 Termination for Insufficient Funding The State may immediately terminate this agreement if it does not obtain funding from the Minnesota legislature or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the work scope covered in this agreement. Termination must be by written or facsimile notice to the Grantee. The State is not obligated to pay for any work performed after notice and effective date of the termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if this agreement is terminated because of the decision of the Minnesota legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State receiving notice of the same.

16. Governing Law, Jurisdiction, and Venue This grant agreement, and amendments and supplements to it, shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this grant agreement, or for breach thereof, shall be in the state or federal court with competent jurisdiction in Ramsey County, Minnesota.

17. Lobbying Ensure funds are not used for lobbying, which is defined as attempting to influence legislators or other public officials on behalf of or against proposed legislation. Providing education about the importance of policies as a public health strategy is allowed. Education includes providing facts, assessment of data, reports, program descriptions, and information about budget issues and population impacts, but stopping short of making a recommendation on a specific piece of legislation. Education may be provided to legislators, public policy makers, other decision makers, specific stakeholders, and the general community.



IN WITNESS WHEREOF, the parties have caused this grant agreement to be duly executed intending to be bound thereby.

APPROVED:

1. Grantee

The Grantee certifies that the appropriate persons(s) have executed the grant agreement on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Steven L. Devich

Title: _____

11/25/14

Date: _____

By: _____

Title: _____

Date: _____

2. State Agency

Grant Agreement approval and certification that State funds have been encumbered as required by Minn. Stat. §§16A.15 and 16C.05.

By: _____
(with delegated authority)

Title: _____

Date: _____

Distribution:

Agency – Original (fully executed) Grant Agreement

Grantee

State Authorized Representative



STAFF REPORT NO. 216
CITY COUNCIL MEETING
11/25/2014

REPORT PREPARED BY: Jeff Pearson, Transportation Engineer
DEPARTMENT DIRECTOR REVIEW: Mike Eastling, Public Works Director
OTHER DEPARTMENT REVIEW: N/A
CITY MANAGER REVIEW: Steven L. Devich

ITEM FOR COUNCIL CONSIDERATION:

Conduct and continue public hearing regarding the sale of remnant parcels located at 6245 and 6301 Bloomington Avenue South.

EXECUTIVE SUMMARY:

Due to a discrepancy in the scheduling of the published notice, the public hearing set for November 25, 2014 needs to be opened and then continued to the December 9, 2014 Regular City Council Meeting.

The City purchased 6245 Bloomington Avenue, 6301 Bloomington Avenue, and 6300 16th Avenue for right-of-way as part of the Richfield Parkway Connection project. The alignment of the new roadway created remnants of 6245 and 6301 Bloomington Avenue that are larger than what the City has determined is necessary for long-term right-of-way needs. The property owners adjacent to these remnant parcels, at 6239 Bloomington Avenue and 6305 Bloomington Avenue, approached the City with an interest in purchasing a portion of these remnants.

Property owners at 6239 Bloomington Avenue South and 6305 Bloomington Avenue South have signed purchase agreements for their desired remnant parcels. In addition, the Planning Commission passed the attached required resolution finding that the sale of the remnant parcel is consistent with the Richfield Comprehensive Plan.

RECOMMENDED ACTION:

By motion: Conduct and continue a public hearing until the December 9, 2014 Regular City Council Meeting regarding the sale of remnant parcels located at 6245 and 6301 Bloomington Avenue South.

BASIS OF RECOMMENDATION:

A. **HISTORICAL CONTEXT:**

- The establishment of Richfield Parkway as a vehicular and greenway corridor extending from the City's northern border is an identified goal of the Comprehensive Plan.
- The area has been identified as a future greenway since the adoption of the Cedar Avenue Corridor Master Plan in 2004.
- The construction of the Richfield Parkway connection in 2013 between Bloomington Avenue and 17th Avenue (now completely Richfield Parkway) contributed to that goal.
- Staff determined that after construction, excess right-of-way exists in this area to facilitate a property sale to adjacent property owners.

B. **POLICIES (resolutions, ordinances, regulations, statutes, exc):**

- City Code Section 500.03, Subd. 2, requires that all subdivisions of land in the City must be approved by Council resolution pursuant to the provisions of Minnesota Statutes, Section 462.357
- City Charter Section 13.04, requires that no real property of the City shall be disposed of except by ordinance.
- This process provides for public input through a public hearing.

C. **CRITICAL TIMING ISSUES:**

- Buyers would like to complete sales in 2014.
- Under Section 3.09 of the City Charter, a transitory ordinance becomes effective 30 days after publication of the second hearing notice.

D. **FINANCIAL IMPACT:**

- The purchase price for both remnant parcels have been approved by the City Manager.

E. **LEGAL CONSIDERATION:**

- The City Attorney has reviewed the sale process and the attached documents and will be in attendance at the Council meeting should questions arise.

ALTERNATIVE RECOMMENDATION(S):

- Council may choose to not approve the subdivisions or sales.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
❏ 6245 Ordinance	Ordinance
❏ 6301 Ordinance	Ordinance
❏ 6245 SubDiv Resolution	Resolution Letter
❏ 6301 SubDiv Resolution	Resolution Letter
❏ 6245 Purchase Agreement	Contract/Agreement
❏ 6301 Purchase Agreement	Contract/Agreement
❏ PC Resolution	Exhibit

ORDINANCE NO. _____

**AN ORDINANCE AUTHORIZING THE SALE OF LAND LOCATED AT 6245
BLOOMINGTON AVENUE SOUTH BY THE CITY OF RICHFIELD**

THE CITY OF RICHFIELD DOES ORDAIN:

Section 1. Background; findings; authority.

- 1.01 The City of Richfield (“City”) is governed by a home rule charter adopted pursuant to the Constitution of the State of Minnesota and Minnesota Statutes, Chapter 410 (Act).
- 1.02 The City owns certain property located at 6245 Bloomington Avenue South which is legally described on Exhibit A attached hereto (“Property”);
- 1.03. The City purchased the Property for public purposes as part of a larger tract, but the portion thereof which is legally described on Exhibit A attached hereto and which is depicted on Exhibit B attached hereto is not required for that public purpose and is not anticipated to be needed in the future for any public purpose;
- 1.04. The City, as Seller, and Ouneheuane Sengsourichanh and Keo Sengsourichanh, husband and wife, as Purchasers, have entered into a purchase agreement, subject to City Council approval, under which it is proposed that the City sell the Property to the Purchasers for a purchase price of \$2,133.80;
- 1.05. The Property is an uneconomic remnant which the City Director of Public Works has recommended be sold to the Purchasers as provided in said purchase agreement.
- 1.06. The Purchasers own the real estate adjacent to the Property.
- 1.07. The Council finds and determines that it is in the best interests of the City to sell the Property to the Purchasers.

Section 2. Adoption; effective date; filing.

- 2.01. The sale of the Property to the Purchasers is hereby approved in accordance with the provisions of the purchase agreement on file with the City Clerk. The Mayor and the City Manager are authorized and directed to execute the purchase agreement, the deed and any other documents recommended by the City Attorney in furtherance of the conveyance of the Property to Purchasers as provided in the purchase agreement.

2.02. This Ordinance shall take effect after the thirtieth (30th) day following adoption and publication, exclusive of the day of publication.

Adopted by the City Council of the City of Richfield, Minnesota this _____ day of _____ 2014.

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk

SEAL

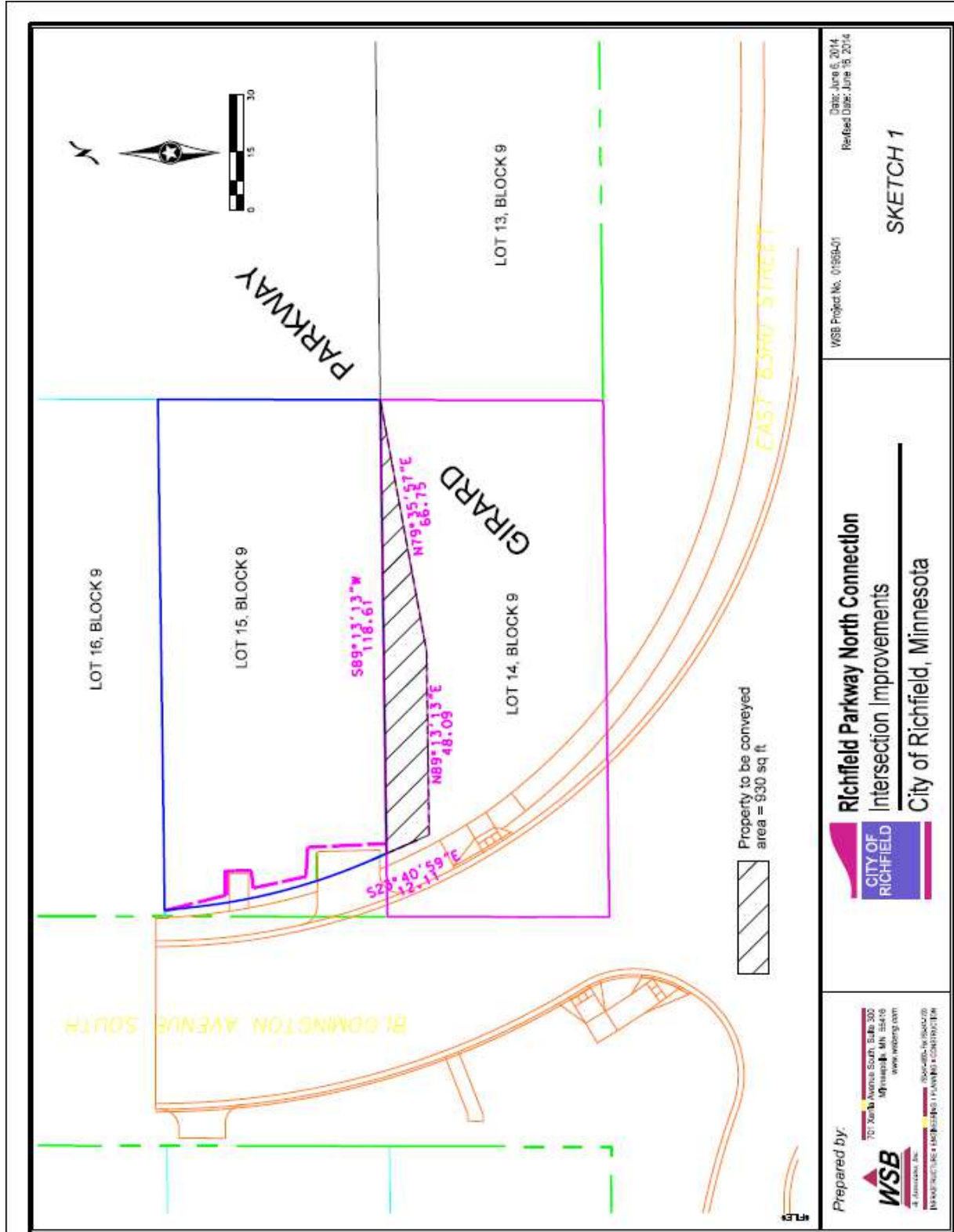
EXHIBIT A
Legal Description of Property

That part of Lot 14, Block 9, Girard Parkview, as is on file in the office of the County Recorder, Hennepin County, Minnesota, described as follows:

Beginning at the northeast corner of Lot 14, Block 9, Girard Parkview; thence South 89 degrees 13 minutes 13 seconds West, assumed bearing along the north line thereof 118.61 feet; thence South 23 degrees 40 minutes 59 seconds East, 12.11 feet; thence North 89 degrees 13 minutes 13 seconds East, 48.09 feet; thence North 79 degrees 35 minutes 57 seconds East, 66.75 feet to the point of beginning.

EXHIBIT B

Parcel Sketch of Portion of Property To Be Conveyed



ORDINANCE NO. _____

**AN ORDINANCE AUTHORIZING THE SALE OF LAND LOCATED AT 6301
BLOOMINGTON AVENUE SOUTH BY THE CITY OF RICHFIELD**

THE CITY OF RICHFIELD DOES ORDAIN:

Section 1. Background; findings; authority.

- 1.01 The City of Richfield (“City”) is governed by a home rule charter adopted pursuant to the Constitution of the State of Minnesota and Minnesota Statutes, Chapter 410 (Act).
- 1.02 The City owns certain property located at 6301 Bloomington Avenue South which is legally described in Exhibit A attached hereto and which is depicted in Exhibit B attached hereto (“Property”);
- 1.03 The City purchased the Property for public purposes as part of a larger tract, but the portion thereof which is legally described on Exhibit A attached hereto and which is depicted on Exhibit B attached hereto is not required for that public purpose and is not anticipated to be needed in the future for any public purpose;
- 1.04 The City, as Seller, and Craig D. Olsen and Sarah L. Olsen, husband and wife, as Purchasers, have entered into a purchase agreement, subject to City Council approval, under which it is proposed that the City sell the Property to the Purchasers for a purchase price of \$1,522.80;
- 1.05 The Property is an uneconomic remnant which the City Director of Public Works has recommended be sold to the Purchasers as provided in said purchase agreement.
- 1.06 The Purchasers own the real estate adjacent to the Property.
- 1.07 The Council finds and determines that it is in the best interests of the City to sell the Property to the Purchasers.

Section 2. Adoption; effective date; filing.

- 2.01 The sale of the Property to the Purchasers is hereby approved in accordance with the provisions of the purchase agreement on file with the City Clerk. The Mayor and the City Manager are authorized and directed to execute the purchase agreement, the deed and any other documents recommended by the City Attorney in furtherance of the conveyance of

the Property to the Purchasers as provided in the purchase agreement.

2.02. This Ordinance shall take effect on the 30th day following its adoption and publication, exclusive of the day of publication.

Adopted by the City Council of the City of Richfield, Minnesota this ____ day of _____ 2014.

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk

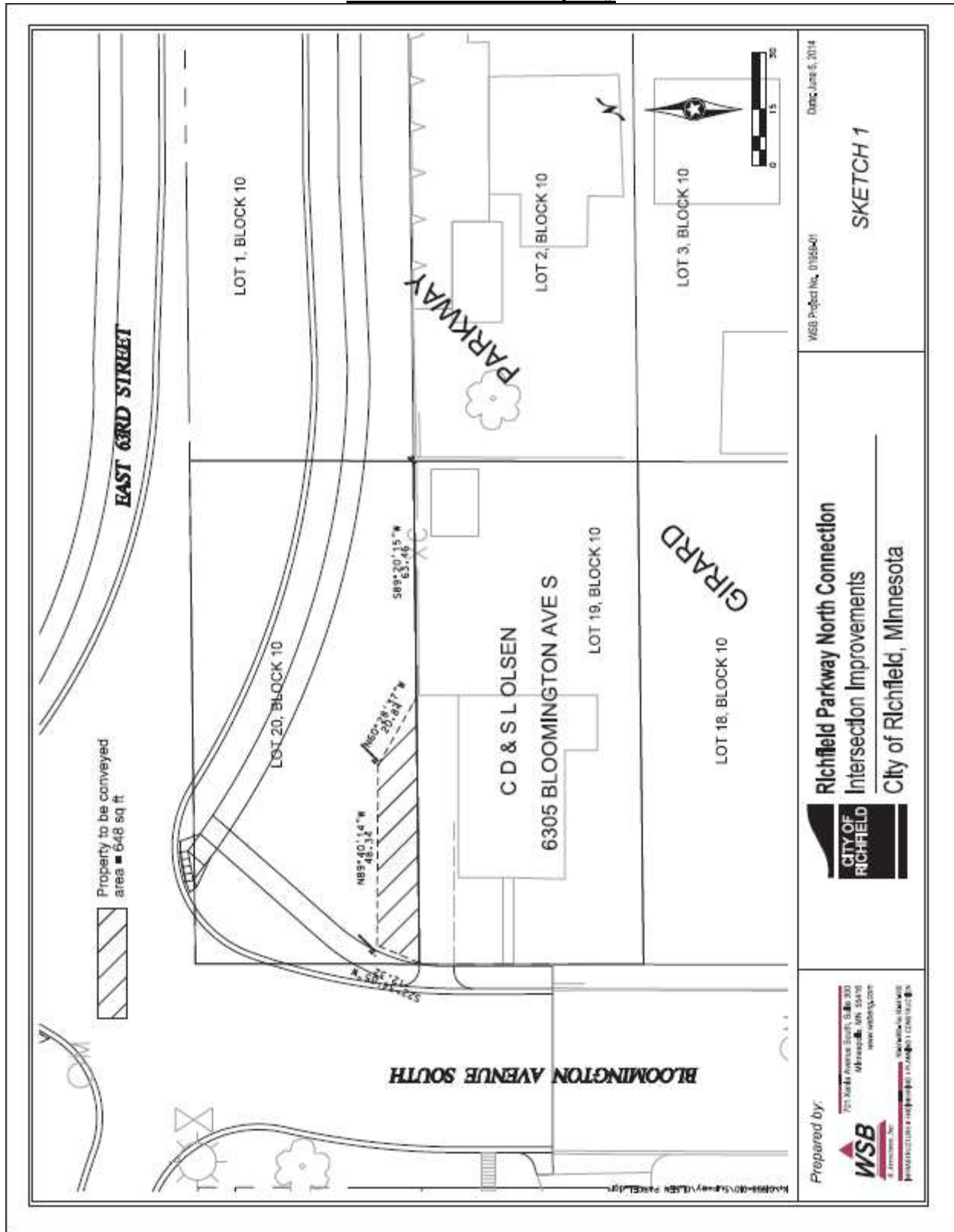
SEAL

EXHIBIT A
Legal Description of Property

That part of Lot 20, Block 10, Girard Parkview, as is on file in the office of the County Recorder, Hennepin County, Minnesota described as follows:

Commencing at the southeast corner of Lot 20, Block 10, Girard Parkview; thence South 89 degrees 20 minutes 15 seconds West, assumed bearing along the south line thereof 63.46 feet to the point of beginning; thence North 60 degrees 28 minutes 37 seconds West, 20.84 feet; thence North 89 degrees 40 minutes 14 seconds West, 48.34 feet; thence South 22 degrees 34 minutes 35 seconds West, 12.32 feet to the south line thereof; thence North 89 degrees 20 minutes 15 seconds East, 71.21 feet to the point of beginning.

EXHIBIT B
Parcel Sketch of Property



RESOLUTION NO. _____

**A RESOLUTION APPROVING SUBDIVISION OF LAND LOCATED AT 6245
BLOOMINGTON AVENUE SOUTH AND WAIVING COMPLIANCE WITH MINN.
STAT., SECTION 462.358, SUBD. 4b(a) AND SECTION 500 OF THE CITY CODE OF
ORDINANCES WITH RESPECT THERETO**

WHEREAS, the City is the owner in fee simple of the real estate located at 6245 Bloomington Avenue South, in the City of Richfield, which is described in Exhibit A attached hereto (“Property”);

WHEREAS, the City purchased the Property for public purposes, but has concluded that the portion of the Property which is legally described on Exhibit B attached hereto and depicted on Exhibit C attached hereto (“Portion”) is not required for said public purposes and is not foreseen to be required for public purposes in the future, and wishes to subdivide the Property and convey the Portion to the adjacent owner;

WHEREAS, the proposed subdivision is recommended by the City Director of Public Works and the City Director of Community Development;

WHEREAS, Section 500.03, Subd. 2, City Code of Ordinances, requires that all subdivisions of land in the City must be approved by Council resolution pursuant to the provisions of Minnesota Statutes, Section 462.357;

WHEREAS, Section 500.05, Subd. 1, City Code of Ordinances, provides that no conveyance of land that constitutes a subdivision within the meaning of Section 500 may be filed or recorded, if the land is described in the conveyance by metes and bounds;

WHEREAS, Section 500.05, Subd. 1a, City Code of Ordinances, provides that Section 500.05, Subd. 1, City Code of Ordinances, does not apply to a conveyance if the land described... (g) is an adjustment of a lot line by relocation of a common boundary, where the

conveyance does not create an additional lot or space sufficient to construct an additional residence thereon;

WHEREAS, Section 500.05, Subd. 2, City Code of Ordinances, provides that, in any case in which compliance with Section 500.05, Subd. 1, City Code of Ordinances, will result in an unnecessary hardship, and failure to comply does not interfere with the purpose of the platting regulations of Section 500, the City Council may waive such compliance by adoption of a resolution to that effect, and the conveyance may then be recorded;

WHEREAS, Minnesota Statutes, Section 462.358, Subd. 4b(a) provides that in a municipality in which subdivision regulations are in force and have been filed or recorded as provided in Section 462.358, no conveyance of land to which the regulations are applicable shall be filed or recorded, if the land is described in the conveyance by metes and bounds. However, Section 462.358, Subd. 4b(c) provides that the City, as platting authority, may waive compliance with the requirements of Section 462.358, Subd. 4b(a) so that the conveyance may be recorded, if compliance with Subd. 4b(a) will create an unnecessary hardship and failure to comply does not interfere with the purpose of the subdivision regulations;

WHEREAS, Minnesota Statutes, Section 272.162, Subd. 1 provides that when a deed or other instrument conveying a parcel of land is presented to the county auditor for transfer or division under Sections 272.12, 272.16, and 272.161, the auditor shall not transfer or divide the land or its net tax capacity in the official records and shall not certify the instrument as provided in Section 272.12, if: (a) the land conveyed is less than a whole parcel as charged in the tax lists; (b) the part conveyed appears within the area of application of municipal subdivision regulations adopted and filed under Section 462.36, Subdivision 1; and (c) the part conveyed is part of or constitutes a subdivision as defined in Section 462.352, Subdivision 12;

WHEREAS, Minnesota Statutes, Section 462.352, Subd. 12 defines “subdivision” to mean “the separation of an area, parcel or tract of land under single ownership into two or more parcels, tracts, (or) lots, ... except those separations ... (3) resulting from court orders, or the adjustment of a lot line by the relocation of a common boundary; “

WHEREAS, the Council finds that the Portion is an uneconomic remnant, that it is in the best interests of the public and the City that the remnant be consolidated with the adjacent property, that such conveyance is simply an adjustment of a common boundary line between two adjacent properties, that it would be an unnecessary hardship for the current owner of the Property and the adjacent owner to whom it is proposed that the Portion be conveyed if subdivision of the Property were denied, and that failure to comply with the provisions of the City’s subdivision regulations will not interfere with the purpose of the regulations;

WHEREAS, Section 500.27, City Code of Ordinances, requires that whenever a copy of a preliminary or final plat or subdivision is filed with the City for approval, published notice shall be given in the official newspaper of the City of a public hearing to be held not less than ten (10) days thereafter. At such hearing, all persons interested therein may be heard and the City Council may thereafter approve or disapprove the plat or subdivision. Subdivisions, after approval, may be recorded as provided by law; and

WHEREAS, a public hearing was held before the Council concerning the proposed subdivision, after due notice in accordance with Section 500.27 of the City Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Richfield, Minnesota as follows:

1. Subdivision of the Property, as described in Exhibit A attached hereto, between the Portion which is described in Exhibit B attached hereto and the remainder of the Property, is hereby approved.

2. Compliance with the provisions of Minnesota Statutes, Section 462.358, Subd. 4b(a) and Section 500 of the City Code of Ordinances is hereby waived with respect to subdivision of the Property described herein.
3. This resolution is intended to satisfy the requirements of Minnesota Statutes, Section 272.162 and Section 462.358, Subd.4b, as well as Section 500 of the City Code of Ordinances.
4. The City Attorney shall file a certified copy of this resolution against the title of the Property at the time of conveyance of the Portion which is described in Exhibit B.

Adopted by the City Council of the City of Richfield, Minnesota this ____day of _____, 2014.

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk

EXHIBIT A

Legal Description of the Property (Real Estate To Be Subdivided)

Lot 14, Block 9, Girard Parkview, according to the plat thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota

Property Address;

6245 Bloomington, Avenue. South, Richfield, Minnesota 55423

EXHIBIT B

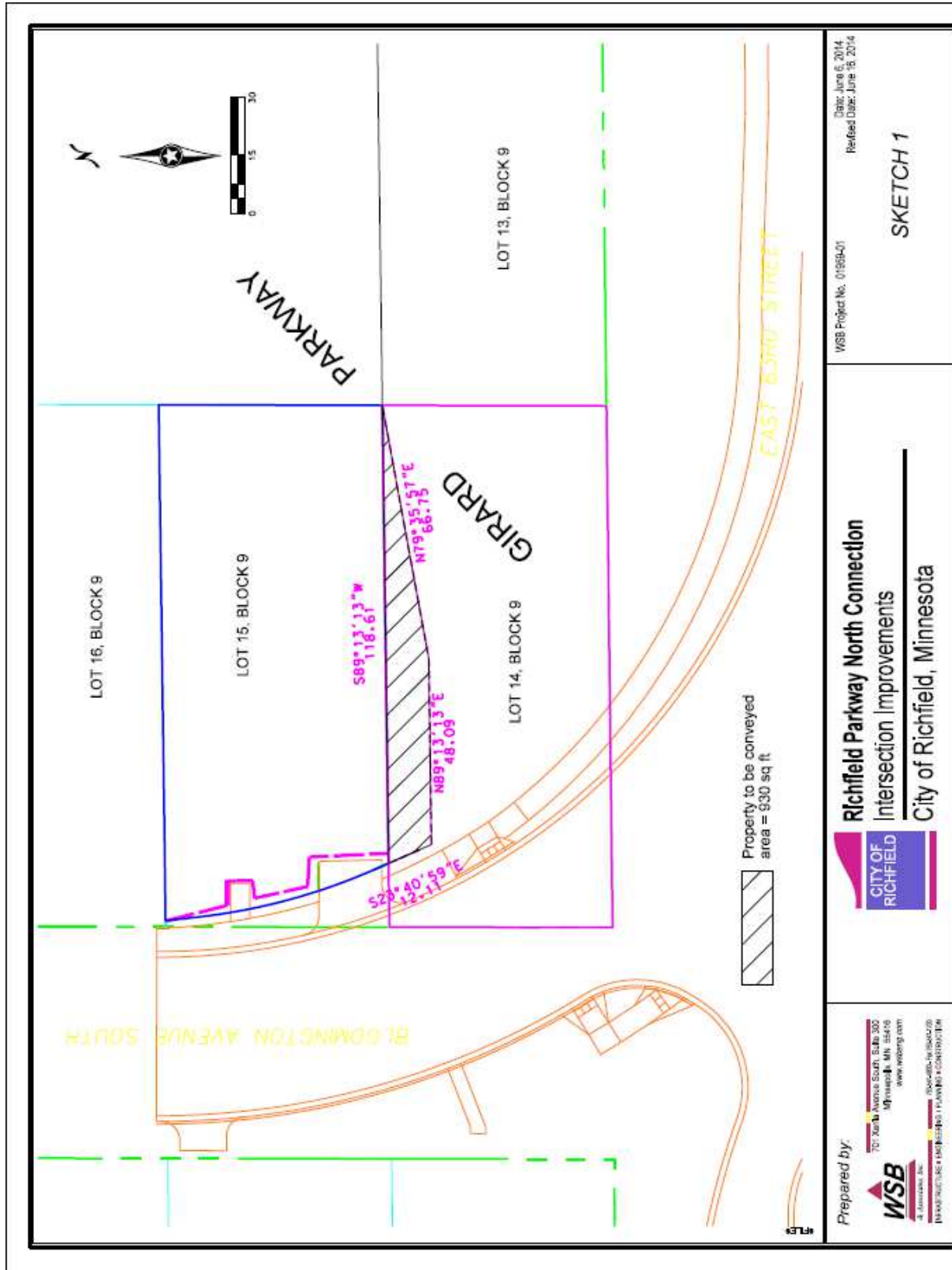
Legal Description of Real Estate To Be Conveyed

That part of Lot 14, Block 9, Girard Parkview, as is on file in the office of the County Recorder, Hennepin County, Minnesota, described as follows:

Beginning at the northeast corner of Lot 14, Block 9, Girard Parkview; thence South 89 degrees 13 minutes 13 seconds West, assumed bearing along the north line thereof 118.61 feet; thence South 23 degrees 40 minutes 59 seconds East, 12.11 feet; thence North 89 degrees 13 minutes 13 seconds East, 48.09 feet; thence North 79 degrees 35 minutes 57 seconds East, 66.75 feet to the point of beginning.

EXHIBIT C

Parcel Sketch Depicting Portion of the Property To Be Conveyed To Adjacent Owner



RESOLUTION NO. _____

**A RESOLUTION APPROVING SUBDIVISION OF LAND LOCATED AT 6301
BLOOMINGTON AVENUE SOUTH AND WAIVING COMPLIANCE WITH MINN.
STAT. SECTION 462.358, SUBD. 4b(a) AND SECTION 500 OF THE CITY CODE OF
ORDINANCES WITH RESPECT THERETO**

WHEREAS, the City is the owner in fee simple of the real estate located at 6301 Bloomington Avenue South, in the City of Richfield, which is described in Exhibit A attached hereto (“Property”);

WHEREAS, the City purchased the Property for public purposes, but has concluded that the portion of the Property which is legally described on Exhibit B attached hereto and depicted on Exhibit C attached hereto (“Portion”) is not required for said public purposes and is not foreseen to be required for public purposes in the future, and wishes to subdivide the Property and convey the Portion to the adjacent owner;

WHEREAS, the proposed subdivision is recommended by the City Director of Public Works and the City Director of Community Development;

WHEREAS, Section 500.03, Subd. 2, City Code of Ordinances, requires that all subdivisions of land in the City must be approved by Council resolution pursuant to the provisions of Minnesota Statutes, Section 462.357;

WHEREAS, Section 500.05, Subd. 1, City Code of Ordinances, provides that no conveyance of land that constitutes a subdivision within the meaning of Section 500 may be filed or recorded, if the land is described in the conveyance by metes and bounds;

WHEREAS, Section 500.05, Subd. 1a, City Code of Ordinances, provides that Section 500.05, Subd. 1, City Code of Ordinances, does not apply to a conveyance if the land described... (g) is an adjustment of a lot line by relocation of a common boundary, where the

conveyance does not create an additional lot or space sufficient to construct an additional residence thereon;

WHEREAS, Section 500.05, Subd. 2, City Code of Ordinances, provides that, in any case in which compliance with Section 500.05, Subd.1, City Code of Ordinances, will result in an unnecessary hardship, and failure to comply does not interfere with the purpose of the platting regulations of Section 500, the City Council may waive such compliance by adoption of a resolution to that effect, and the conveyance may then be recorded;

WHEREAS, Minnesota Statutes, Section 462.358, Subd.4b(a) provides that in a municipality in which subdivision regulations are in force and have been filed or recorded as provided in Section 462.358, no conveyance of land to which the regulations are applicable shall be filed or recorded, if the land is described in the conveyance by metes and bounds. However, Section 462.358, Subd. 4b(c) provides that the City, as platting authority, may waive compliance with the requirements of Section 462.358, Subd. 4b(a) so that the conveyance may be recorded, if compliance with Subd. 4b(a) will create an unnecessary hardship and failure to comply does not interfere with the purpose of the subdivision regulations;

WHEREAS, Minnesota Statutes, Section 272.162, Subd. 1 provides that when a deed or other instrument conveying a parcel of land is presented to the county auditor for transfer or division under Sections 272.12, 272.16, and 272.161, the auditor shall not transfer or divide the land or its net tax capacity in the official records and shall not certify the instrument as provided in Section 272.12, if: (a) the land conveyed is less than a whole parcel as charged in the tax lists; (b) the part conveyed appears within the area of application of municipal subdivision regulations adopted and filed under Section 462.36, Subdivision 1; and (c) the part conveyed is part of or constitutes a subdivision as defined in Section 462.352, Subdivision 12;

WHEREAS, Minnesota Statutes, Section 462.352, Subd. 12 defines “subdivision” to mean “the separation of an area, parcel or tract of land under single ownership into two or more parcels, tracts, (or) lots, ... except those separations ... (3) resulting from court orders, or the adjustment of a lot line by the relocation of a common boundary; “

WHEREAS, the Council finds that the Portion is an uneconomic remnant, that it is in the best interests of the public and the City that the remnant be consolidated with the adjacent property, that such conveyance is simply an adjustment of a common boundary line between two adjacent properties, that it would be an unnecessary hardship for the current owner of the Property and the adjacent owner to whom it is proposed that the Portion be conveyed if subdivision of the Property were denied, and that failure to comply with the provisions of the City’s subdivision regulations and waiver of compliance with the provisions thereof will not interfere with the purpose of the regulations;

WHEREAS, Section 500.27, City Code of Ordinances, requires that whenever a copy of a preliminary or final plat or subdivision is filed with the City for approval, published notice shall be given in the official newspaper of the City of a public hearing to be held not less than ten (10) days thereafter. At such hearing, all persons interested therein may be heard and the City Council may thereafter approve or disapprove the plat or subdivision. Subdivisions, after approval, may be recorded as provided by law; and

WHEREAS, a public hearing was held before the Council concerning the proposed subdivision, after due notice in accordance with Section 500.27 of the City Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Richfield, Minnesota as follows:

1. Subdivision of the Property, as described in Exhibit A attached hereto, between the Portion which is described in Exhibit B attached hereto and the remainder of the Property, is hereby approved.
2. Compliance with the provisions of Minnesota Statutes, Section 462.358, Subd. 4b(a) and the provisions of Section 500 of the City Code of Ordinances is hereby waived with respect to subdivision of the Property as described herein.
3. This resolution is intended to satisfy the requirements of Minnesota Statutes, Section 272.162 and Section 462.358, Subd.4b, as well as Section 500 of the City Code of Ordinances.
4. The City Attorney shall file a certified copy of this resolution against the title of the Property at the time of conveyance of the Portion which is described in Exhibit B.

Adopted by the City Council of the City of Richfield, Minnesota this __ day of _____,
2014

Debbie Goettel, Mayor

ATTEST:

Nancy Gibbs, City Clerk

EXHIBIT A

Legal Description of the Property (Real Estate To Be Subdivided)

Lot 20, Block 10, Girard Parkview, according to the plat thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota.

Property Address: 6301 Bloomington Avenue South, Richfield, MN 55423

EXHIBIT B

Legal Description of Real Estate To Be Conveyed

That part of Lot 20, Block 10, Girard Parkview, as is on file in the office of the County Recorder, Hennepin County, Minnesota described as follows:

Commencing at the southeast corner of Lot 20, Block 10, Girard Parkview; thence South 89 degrees 20 minutes 15 seconds West, assumed bearing along the south line thereof 63.46 feet to the point of beginning; thence North 60 degrees 28 minutes 37 seconds West, 20.84 feet; thence North 89 degrees 40 minutes 14 seconds West, 48.34 feet; thence South 22 degrees 34 minutes 35 seconds West, 12.32 feet to the south line thereof; thence North 89 degrees 20 minutes 15 seconds East, 71.21 feet to the point of beginning.

Parcel Sketch Depicting Portion of Property To Be Conveyed to Adjacent Owner



PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement") is made as of this ____ day of _____, 2014, by and between the City of Richfield, a municipal corporation under the laws of the State of Minnesota ("Seller") and Ouneheuane Sengsourichanh and Keo Sengsourichanh, husband and wife ("Buyer").

RECITALS

Seller is the owner of property located at 6245 Bloomington Avenue South, in Richfield Minnesota, Minnesota, which is legally described on the attached Exhibit A ("Property").

The Property is vacant land. No personal property is included in the sale.

AGREEMENT

1. **Offer/Acceptance for Sale of Property.** The Seller agrees to sell to Buyer the Property and Buyer agrees to purchase the same, according to the terms of this Agreement.

2. **Purchase Price for Property and Terms.**

A. **PURCHASE PRICE:** The total purchase price for the Property is Two Thousand One Hundred Thirty-Three and 80/100ths Dollars (\$2,133.80) (the "Purchase Price").

B. **TERMS:**

- (1): **EARNEST MONEY.** The sum of Three Hundred and 00/100ths Dollars (\$300.00) (the "Earnest Money") shall be paid by Buyer to Seller.
- (2): **BALANCE DUE SELLER.** Buyer agrees to pay by check or electronic transfer of funds on the date of closing on the Property (the "Closing Date") the remaining balance of the Purchase Price due to Seller according to the terms of this Agreement.
- (3): **DEED/MARKETABLE TITLE.** Subject to performance by Buyer, Seller agrees to execute and deliver a Quit Claim Deed conveying marketable title to the Property to Buyer, subject only to the following exceptions:
 - a. Building and zoning laws, ordinances, state and federal regulations.
 - b. Reservation of minerals or mineral rights to the State of Minnesota, if any.
 - c. Public utility and drainage easements of record.

(4): DOCUMENTS TO BE DELIVERED AT CLOSING BY SELLER. In addition to the Quit Claim Deed required at paragraph 2B(3) above, Seller shall deliver to Buyer:

- a. Standard form Affidavit of Seller.
- b. Certificate that Seller is not a foreign national.
- c. Well disclosure certification, if required, or, if there is no well on the Property, the Quit Claim Deed given pursuant to paragraph 2B(3) above must include the following statement: "The Seller certifies that Seller does not know of any wells on the described real property."
- d. Any other documents reasonably required by Buyer's title insurance company or attorney to evidence that title to the Property is marketable and that Seller has complied with the terms of this Agreement.

3. **Buyer's Contingencies.** Buyer's obligation to buy is contingent upon the following:

- a. Buyer's determination of marketable title pursuant to paragraph 4 of this Agreement;
- b. Buyer's determination, in its sole discretion, that the results of any environmental investigation of the Property conducted pursuant to this Agreement are satisfactory to Buyer;

Buyer shall have the period provided in paragraph 5 below to remove contingency a., and fifteen (15) days to remove contingency b., provided that these contingencies are solely for the benefit of Buyer and may be waived by Buyer. If Buyer or its attorney gives written notice to Seller that the contingencies at a. and b. are duly satisfied or waived, Buyer and Seller shall proceed to close the transaction as contemplated herein.

If one or more of Buyer's or Seller's contingencies is not satisfied, or is not satisfied on time, and is not waived, this Agreement shall thereupon be void at the written option of Buyer and Seller shall return the Earnest Money, if any, to Buyer, and Buyer and Seller shall execute and deliver to each other a termination of this Agreement. As a contingent Agreement, the termination of this Agreement is not required pursuant to Minnesota Statutes, Section 559.21, et. seq.

4. **Seller's Contingencies.** Seller's obligation to sell is contingent upon the following:

- a. Approval of this Agreement by the Richfield City Council;

- b. Approval of the lot split required for this conveyance by the Richfield City Council; and
- c. Lot combination for tax purposes with Buyer's property lying adjacent to the Property.

Seller's contingencies may not be waived.

5. **Title Examination/Curing Title Defects.** As soon as reasonably possible after execution of this Agreement by both parties, Buyer shall obtain the title evidence determined necessary or desirable by Buyer. The Buyer shall have thirty (30) days from the date it receives such title evidence to raise any objections to title. Objections not made within such time will be deemed waived. The Seller may affect a cure satisfactory to Buyer or may give written notice to Buyer that Seller elects not to cure. The Buyer may then elect to close notwithstanding the uncured objections, or may declare this Agreement null and void and the parties will thereby be released from any further obligation hereunder.

6. **Real Estate Taxes and Special Assessments.** Real estate taxes payable in the year of closing will be pro-rated between Buyer and Seller to the Closing Date. Seller shall pay all real estate taxes payable in previous years, the entire unpaid balance of special assessments, and all installments of special assessments levied and pending, including special assessment installments payable after the year of closing. If closing occurs prior to the date the amount of real estate taxes due in the year of closing are available from Hennepin County, the current year's taxes will be pro-rated based on the amount due in the prior year.

7. **Closing Date.** The Closing Date will be on or before _____, 2014. Delivery of all papers and the closing shall be made by mail or electronic mail, or at the offices of Seller, 6700 Portland Avenue South, Richfield, MN 55423, or at such other location as is mutually agreed upon by the parties.

8. **Possession** The Seller agrees to deliver possession not later than the Closing Date.

9. **Seller Warranties.**

(a) **Mechanics' Liens.** Seller warrants that, prior to the closing, Seller shall pay in full all amounts due for labor, materials, machinery, fixtures or tools furnished within the 120 days immediately preceding the closing in connection with construction, alteration or repair of any structure upon or improvement to the Property.

(b) **Notices.** Seller warrants that it has not received any notice from any governmental authority as to violation of any law, ordinance or regulation in connection with the Property.

(c) **Tenants.** Seller warrants that the Property is not now occupied by tenants and was not occupied by tenants at the time Seller first received Buyer's written offer to purchase the Property.

10. **Closing Costs/Recording Fees/Deed Tax.** The Buyer will pay: (a) the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement; (b) fees for title evidence obtained by Buyer; and (c) the recording fee for the deed transferring title to Buyer. Seller will pay (a) any transfer taxes and Well Disclosure fees required to enable Buyer to record its deed from Seller under this Agreement (b) fees and charges related to the filing of any instrument required to make title marketable. Each party shall pay its own attorney fees.

11. **Inspections.** From the date of this Agreement to the Closing Date, Buyer, its employees and agents, shall be entitled to enter upon the Property to conduct such surveying, inspections, investigations, soil borings and testing, and drilling, monitoring, sampling and testing of groundwater monitoring wells, as Buyer shall elect; provided, that Seller is given at least 24 hours' notice.

12. **Risk of Loss.** If there is any loss or damage to the Property between the date hereof and the Closing Date, for any reason, including fire, vandalism, flood, earthquake or act of God, the risk of loss shall be on Seller. If the Property is destroyed or substantially damaged before the closing date, this Agreement shall become null and void, at Buyer's option. At the request of Buyer, Seller agrees to sign a cancellation of Agreement.

13. **Default/Remedies.** If Buyer defaults in any of the covenants herein, Seller may terminate this Agreement, and on such termination all payments made hereunder shall be retained by Seller as liquidated damages, time being of the essence. This provision shall not deprive either party of the right to enforce specific performance of this Agreement, provided this Agreement has not terminated and action to enforce specific performance is commenced within six months after such right of action arises. In the event Buyer defaults in its performance of the terms of this Agreement and Notice of Cancellation is served upon Buyer pursuant to Minn. Stat. Section 559.21, the termination period shall be thirty (30) days as permitted by Minn. Stat., Section 559.21, Subd. 4.

14. **Disclosures Required by Law.** The following disclosures/provisions are required by law:

- a) Wells. Seller certifies that Seller does not know of a well on the Property.
- b) Storage Tanks. Seller discloses that, to the best of Seller's knowledge, there are no above-ground or underground storage tanks located in, on, or under the Property.
- c) Septic System. Seller discloses that any sewage generated on the Property will go to a facility permitted by the Minnesota Pollution Control Agency ("MPCA").
- d) Statutory Methamphetamine Disclosure Statement. Pursuant to Minn. Stat. § 152.0275, Seller certifies that as of the date hereof no methamphetamine production has occurred on the property.

15. **Broker Commission.** Each party represents to the other that it has not utilized the services of any real estate broker or agent in connection with this Agreement or the transaction contemplated by this Agreement. Each party agrees to indemnify, defend, and hold harmless the

other party against and in respect of any such obligation and liability based in any way upon agreements, arrangements, or understandings made or claimed to have been made by the party with any third person.

16. **Notice.** Any notice, demand, request or other communication which may or shall be given or served by the parties, shall be deemed to have been given or served on the date the same is personally served upon one of the following indicated recipients for notices or is deposited in the United States Mail, registered or certified, return receipt requested, postage prepaid and addressed as follows:

SELLER: Jeff Pearson
City of Richfield
1901 East 66th Street
Richfield, MN 55423

With Copy to: Kennedy & Graven, Chartered
ATTN: Robert Lindall and
Catherine B. Rocklitz
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402

BUYER: Ouneheuane Sengsourichanh
and Keo Sengsourichanh
6239 Bloomington Ave. So.
Richfield, MN 55423

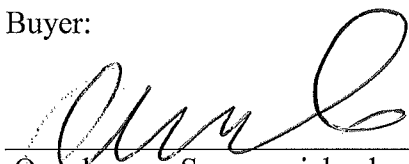
17. **Entire Agreement.** This Agreement, Exhibits, and other amendments signed by the parties, shall constitute the entire Agreement between Seller and Buyer and supersedes any other written or oral agreements between the parties relating to the Property. This Agreement can be modified only in a writing properly signed on behalf of Seller and Buyer.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date and year above.

Seller: City of Richfield

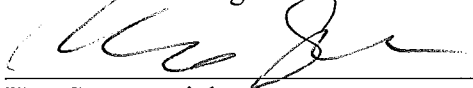
Buyer:

By: _____
Its Mayor



Ouneheuane Sengsourichanh

And by: _____
Its City Manager



Keo Sengsourichanh

EXHIBIT A

Legal Description of Property

That part of Lot 14, Block 9, Girard Parkview, as is on file in the office of the County Recorder, Hennepin County, Minnesota, described as follows:

Beginning at the northeast corner of Lot 14, Block 9, Girard Parkview; thence South 89 degrees 13 minutes 13 seconds West, assumed bearing along the north line thereof 118.61 feet; thence South 23 degrees 40 minutes 59 seconds East, 12.11 feet; thence North 89 degrees 13 minutes 13 seconds East, 48.09 feet; thence North 79 degrees 35 minutes 57 seconds East, 66.75 feet to the point of beginning.

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement") is made as of this ____ day of _____, 2014, by and between the City of Richfield, a municipal corporation under the laws of the State of Minnesota ("Seller") and Craig D. Olsen and Sarah L. Olsen, husband and wife ("Buyer").

RECITALS

Seller is the owner of property located at 6301 Bloomington Avenue South, in Richfield Minnesota, Minnesota, which is legally described on the attached Exhibit A ("Property").

The Property is vacant land. No personal property is included in the sale.

AGREEMENT

1. **Offer/Acceptance for Sale of Property.** The Seller agrees to sell to Buyer the Property and Buyer agrees to purchase the same, according to the terms of this Agreement.

2. **Purchase Price for Property and Terms.**

A. **PURCHASE PRICE:** The total purchase price for the Property is One Thousand Five Hundred Twenty Two and 80/100ths Dollars (\$1,522.80) (the "Purchase Price").

B. **TERMS:**

(1): **EARNEST MONEY.** The sum of Three Hundred and 00/100ths Dollars (\$300.00) (the "Earnest Money") shall be paid by Buyer to Seller.

(2): **BALANCE DUE SELLER.** Buyer agrees to pay by check or electronic transfer of funds on the date of closing on the Property (the "Closing Date") the remaining balance of the Purchase Price due to Seller according to the terms of this Agreement.

(3): **DEED/MARKETABLE TITLE.** Subject to performance by Buyer, Seller agrees to execute and deliver a Quit Claim Deed conveying marketable title to the Property to Buyer, subject only to the following exceptions:

- a. Building and zoning laws, ordinances, state and federal regulations.
- b. Reservation of minerals or mineral rights to the State of Minnesota, if any.
- c. Public utility and drainage easements of record.

(4): **DOCUMENTS TO BE DELIVERED AT CLOSING BY SELLER.** In addition to the Quit Claim Deed required at paragraph 2B(3) above, Seller shall deliver to Buyer:

- a. Standard form Affidavit of Seller.
- b. Certificate that Seller is not a foreign national.
- c. Well disclosure certification, if required, or, if there is no well on the Property, the Quit Claim Deed given pursuant to paragraph 2B(3) above must include the following statement: "The Seller certifies that Seller does not know of any wells on the described real property."
- d. Any other documents reasonably required by Buyer's title insurance company or attorney to evidence that title to the Property is marketable and that Seller has complied with the terms of this Agreement.

3. **Buyer's Contingencies.** Buyer's obligation to buy is contingent upon the following:

- a. Buyer's determination of marketable title pursuant to paragraph 4 of this Agreement;
- b. Buyer's determination, in its sole discretion, that the results of any environmental investigation of the Property conducted pursuant to this Agreement are satisfactory to Buyer;

Buyer shall have the period provided in paragraph 5 below to remove contingency a., and fifteen (15) days to remove contingency b., provided that these contingencies are solely for the benefit of Buyer and may be waived by Buyer. If Buyer or its attorney gives written notice to Seller that the contingencies at a. and b. are duly satisfied or waived, Buyer and Seller shall proceed to close the transaction as contemplated herein.

If one or more of Buyer's or Seller's contingencies is not satisfied, or is not satisfied on time, and is not waived, this Agreement shall thereupon be void at the written option of Buyer and Seller shall return the Earnest Money, if any, to Buyer, and Buyer and Seller shall execute and deliver to each other a termination of this Agreement. As a contingent Agreement, the termination of this Agreement is not required pursuant to Minnesota Statutes, Section 559.21, et. seq.

4. **Seller's Contingencies.** Seller's obligation to sell is contingent upon the following:

- a. Approval of this Agreement by the Richfield City Council;

- b. Approval of the lot split required for this conveyance by the Richfield City Council; and
- c. Lot combination for tax purposes with Buyer's property lying adjacent to the Property.

Seller's contingencies may not be waived.

5. **Title Examination/Curing Title Defects.** As soon as reasonably possible after execution of this Agreement by both parties, Buyer shall obtain the title evidence determined necessary or desirable by Buyer. The Buyer shall have thirty (30) days from the date it receives such title evidence to raise any objections to title. Objections not made within such time will be deemed waived. The Seller may affect a cure satisfactory to Buyer or may give written notice to Buyer that Seller elects not to cure. The Buyer may then elect to close notwithstanding the uncured objections, or may declare this Agreement null and void and the parties will thereby be released from any further obligation hereunder.

6. **Real Estate Taxes and Special Assessments.** Real estate taxes payable in the year of closing will be pro-rated between Buyer and Seller to the Closing Date. Seller shall pay all real estate taxes payable in previous years, the entire unpaid balance of special assessments, and all installments of special assessments levied and pending, including special assessment installments payable after the year of closing. If closing occurs prior to the date the amount of real estate taxes due in the year of closing are available from Hennepin County, the current year's taxes will be pro-rated based on the amount due in the prior year.

7. **Closing Date.** The Closing Date will be on or before _____, 2014. Delivery of all papers and the closing shall be made by mail or electronic mail, or at the offices of Seller, 6700 Portland Avenue South, Richfield, MN 55423, or at such other location as is mutually agreed upon by the parties.

8. **Possession** The Seller agrees to deliver possession not later than the Closing Date.

9. **Seller Warranties.**

(a) **Mechanics' Liens.** Seller warrants that, prior to the closing, Seller shall pay in full all amounts due for labor, materials, machinery, fixtures or tools furnished within the 120 days immediately preceding the closing in connection with construction, alteration or repair of any structure upon or improvement to the Property.

(b) **Notices.** Seller warrants that it has not received any notice from any governmental authority as to violation of any law, ordinance or regulation in connection with the Property.

(c) **Tenants.** Seller warrants that the Property is not now occupied by tenants and was not occupied by tenants at the time Seller first received Buyer's written offer to purchase the Property.

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11. **Inspections.** From the date of this Agreement to the Closing Date, Buyer, its employees and agents, shall be entitled to enter upon the Property to conduct such surveying, inspections, investigations, soil borings and testing, and drilling, monitoring, sampling and testing of groundwater monitoring wells, as Buyer shall elect; provided, that Seller is given at least 24 hours' notice.

12. **Risk of Loss.** If there is any loss or damage to the Property between the date hereof and the Closing Date, for any reason, including fire, vandalism, flood, earthquake or act of God, the risk of loss shall be on Seller. If the Property is destroyed or substantially damaged before the closing date, this Agreement shall become null and void, at Buyer's option. At the request of Buyer, Seller agrees to sign a cancellation of Agreement.

13. **Default/Remedies.** If Buyer defaults in any of the covenants herein, Seller may terminate this Agreement, and on such termination all payments made hereunder shall be retained by Seller as liquidated damages, time being of the essence. This provision shall not deprive either party of the right to enforce specific performance of this Agreement, provided this Agreement has not terminated and action to enforce specific performance is commenced within six months after such right of action arises. In the event Buyer defaults in its performance of the terms of this Agreement and Notice of Cancellation is served upon Buyer pursuant to Minn. Stat. Section 559.21, the termination period shall be thirty (30) days as permitted by Minn. Stat., Section 559.21, Subd. 4.

14. **Disclosures Required by Law.** The following disclosures/provisions are required by law:

- a) Wells. Seller certifies that Seller does not know of a well on the Property.
- b) Storage Tanks. Seller discloses that, to the best of Seller's knowledge, there are no above-ground or underground storage tanks located in, on, or under the Property.
- c) Septic System. Seller discloses that any sewage generated on the Property will go to a facility permitted by the Minnesota Pollution Control Agency ("MPCA").
- d) Statutory Methamphetamine Disclosure Statement. Pursuant to Minn. Stat. § 152.0275, Seller certifies that as of the date hereof no methamphetamine production has occurred on the property.

15. **Broker Commission.** Each party represents to the other that it has not utilized the services of any real estate broker or agent in connection with this Agreement or the transaction contemplated by this Agreement. Each party agrees to indemnify, defend, and hold harmless the

other party against and in respect of any such obligation and liability based in any way upon agreements, arrangements, or understandings made or claimed to have been made by the party with any third person.

16. **Notice.** Any notice, demand, request or other communication which may or shall be given or served by the parties, shall be deemed to have been given or served on the date the same is personally served upon one of the following indicated recipients for notices or is deposited in the United States Mail, registered or certified, return receipt requested, postage prepaid and addressed as follows:

SELLER: Jeff Pearson
City of Richfield
1901 East 66th Street
Richfield, MN 55423

With Copy to: Kennedy & Graven, Chartered
ATTN: Robert Lindall and
Catherine B. Rocklitz
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402

BUYER: Craig D. Olsen and Sarah L. Olsen
6305 Bloomington Avenue South
Richfield, MN 55423

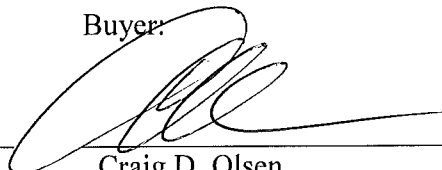
17. **Entire Agreement.** This Agreement, Exhibits, and other amendments signed by the parties, shall constitute the entire Agreement between Seller and Buyer and supersedes any other written or oral agreements between the parties relating to the Property. This Agreement can be modified only in a writing properly signed on behalf of Seller and Buyer.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date and year above.

Seller: City of Richfield

By: _____
Its Mayor

Buyer:


Craig D. Olsen

And by: _____
Its City Manager

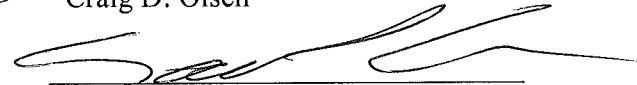

Sarah L. Olsen

EXHIBIT A

Legal Description of Property

That part of Lot 20, Block 10, Girard Parkview, as is on file in the office of the County Recorder, Hennepin County, Minnesota described as follows:

Commencing at the southeast corner of Lot 20, Block 10, Girard Parkview; thence South 89 degrees 20 minutes 15 seconds West, assumed bearing along the south line thereof 63.46 feet to the point of beginning; thence North 60 degrees 28 minutes 37 seconds West, 20.84 feet; thence North 89 degrees 40 minutes 14 seconds West, 48.34 feet; thence South 22 degrees 34 minutes 35 seconds West, 12.32 feet to the south line thereof; thence North 89 degrees 20 minutes 15 seconds East, 71.21 feet to the point of beginning.

RESOLUTION NO. 205

**RESOLUTION OF THE RICHFIELD PLANNING COMMISSION
FINDING THAT THE SALE OF REMNANT PARCELS
RELATED TO THE RICHFIELD PARKWAY CONNECTION PROJECT
ARE IN CONFORMANCE WITH THE COMPREHENSIVE PLAN**

WHEREAS, the Planning Commission has reviewed the Comprehensive Plan regarding the construction of Richfield Parkway;

WHEREAS, the Planning Commission has found that the sale of subdivided portions of the following single family properties to the adjacent landowners as noted would be consistent with the Richfield Comprehensive Plan:

Lot 14, Block 9, Girard Parkview
(6245 Bloomington Avenue, Sale to 6239 Bloomington Avenue)

Lot 20, Block 10, Girard Parkview
(6301 Bloomington Avenue, Sale to 6305 Bloomington Avenue)

NOW, THEREFORE BE IT RESOLVED, that the Planning Commission finds that the sale of the above described properties by the City to adjacent landowners is in conformance with the Richfield Comprehensive Plan.

Adopted this 22nd day of September, 2014 by the Planning Commission of the City of Richfield, Minnesota.


Rick Jabs, Chairperson

ATTEST:


Thomas Rublein, Secretary